

# **Federated Hermes Global Trade Finance Fund**

## **Product Disclosure Statement**

Dated: 7<sup>th</sup> January 2026

Issued by: The Trust Company (RE Services) Limited

ABN 45 003 278 831, AFSL 235 150

## Important information

This Product Disclosure Statement ('PDS') provides a summary of significant information you need to make a decision about units ('Units') in the Federated Hermes Global Trade Finance Fund ARSN 690 362 497 (the 'Fund'). You can access the PDS on the internet at [Trade Finance | Federated Hermes Limited](#).

The information in this PDS is general information only and does not take into account your individual objectives, personal financial situation or needs. As a result, before making an investment, you should consider the appropriateness of this PDS having regard to your objectives, financial situation and needs. This PDS is not intended to be a recommendation by The Trust Company (RE Services) Limited ('Responsible Entity', 'Perpetual', 'we', 'our' or 'us') or Hermes Investment Management Limited (the 'Investment Manager'), any associate, employee, agent or officer of the Responsible Entity or the Investment Manager or any other person to invest in the Fund. If you are a retail investor, then before investing in the Fund you must consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances. It is a condition for an investment into the Fund by an investor who is a retail client (as defined in the Corporations Act) that the investor has received personal financial advice in respect of the Fund and is investing through an IDPS.

The Target Market Determination ('TMD') for the Fund can be found at [Trade Finance | Federated Hermes Limited](#), and includes a description of who the Fund is appropriate for.

The investment offered in this PDS is available only to persons receiving this PDS (electronically or in hard copy) within Australia and does not constitute an offer of Units in any jurisdiction other than Australia. Units in the Fund may not be offered or sold within the US, or sold to, or for the account or benefit of, any 'US Persons' (defined in Regulation S of the US Securities Act 1933, as amended).

All monetary amounts referred to in this PDS are given in Australian dollars ('AUD') and all phone/fax numbers are to phone/fax numbers in Australia (unless otherwise stated).

The Fund is governed by the Constitution and subject to the additional disclosures made in this PDS. The Fund comprises assets which are acquired in accordance with the Fund's investment strategy. Investors receive Units in the Fund, however these Units do not give the

investor an interest in any particular asset of the Fund.

The Responsible Entity and the Investment Manager and their associates, employees, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Fund. Past performance is no indication of future performance. Units in the Fund are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. You should read this PDS in its entirety.

Any forward-looking statements included in this PDS involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, the Responsible Entity, the Investment Manager and their associates, officers, employees or agents. Actual future events may vary materially from any forward-looking statements and the assumptions on which those statements are based. Given these uncertainties, you are cautioned not to place undue reliance on such forward-looking statements.

In particular, in considering whether to invest in the Fund, investors should consider the risk factors that could affect the financial performance of the Fund. Some of the risk factors affecting the Fund are summarised in section 3 on pages 13 – 22 of this PDS.

Unless otherwise stated, all fees quoted in this PDS are inclusive of Good and Services Tax ('GST') and Reduced Input Tax Credits ('RITC').

Application Forms, Additional Application Forms and Withdrawal Forms can be accessed via the Investment Manager's website [Trade Finance | Federated Hermes Limited](#).

## Updated information

The information in this PDS may change over time.

The Responsible Entity may update this information where this does not involve a material adverse change and make it available to you, where permitted by law, via the Investment Manager's website [Trade Finance | Federated Hermes Limited](#).

You can also obtain updated information by contacting the Investment Manager at [AUSales@federatedhermes.com](mailto:AUSales@federatedhermes.com). A paper copy of any updated information is available free on request.

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## I. Key Information Summary

### A. About The Trust Company (RE Services) Limited

#### The Responsible Entity

The Responsible Entity is the responsible entity of the Fund. The Responsible Entity is a wholly owned subsidiary of Perpetual Limited ABN 86 000 431 827 (Perpetual), and a part of Perpetual Group which has been in operation for over 135 years. Perpetual Limited is an Australian public company that has been listed on the Australian Securities Exchange for over 55 years.

The Responsible Entity holds Australian Financial Services License ('AFSL') number 235150 issued by ASIC, which authorises it to operate the Fund.

The Responsible Entity is bound by the Constitution and the Corporations Act. The Responsible Entity has lodged a compliance plan with ASIC which sets out the key measures which the Responsible Entity will apply to comply with the Constitution and the Corporations Act.

The Responsible Entity has the power to delegate certain aspects of its duties. The Responsible Entity has appointed the Investment Manager as the investment manager of the Fund. There are no unusual or materially onerous terms in the agreement under which the Investment Manager has been appointed. The Responsible Entity is able to terminate the Investment Manager's appointment under the Investment Management Agreement at any time in circumstances, including but not limited to:

- fraud, misconduct, dishonesty or gross negligence on the part of the Investment Manager;
- where the Investment Manager enters into receivership, liquidation, ceases to conduct business sells the business or is legally unable to operate as an Investment Manager; or
- where the Investment Manager is in breach of any representations or warranties to the Responsible Entity.

Termination in these circumstances is without payment of any penalty.

The Responsible Entity has appointed Perpetual Corporate Trust Limited as custodian ('Custodian') and Apex Fund Services Ltd as administrator ('Administrator') of the Fund.

#### The Investment Manager

The Responsible Entity has appointed the Investment Manager, a limited liability company incorporated under the laws of England and Wales to manage the assets of the Fund. The Investment Manager is exempted from the requirement to hold an Australian financial services license under ASIC Class Order 03/1099. It is authorised by the Financial Conduct Authority to carry on regulated activities in the United Kingdom and is subject to the rules of the Financial Conduct Authority.

The Investment Manager is incorporated under the laws of England and Wales on 1 February 1990. The Investment Manager is a wholly owned subsidiary of Federated Hermes Limited.

Federated Hermes Limited is a wholly owned subsidiary of Federated Hermes, Inc. which is a leading global investment manager with one billion, two-hundred and eighty-five million Australian dollars (AUD1.285 billion) in assets under management<sup>1</sup>. Guided by its conviction that responsible investing is the best way to create wealth over the long term, its investment solutions span two hundred and ninety-one (291) equity, fixed income, alternative/private markets, multi-asset and liquidity management strategies and a range of separately managed account strategies<sup>2</sup>.

Providing world-class active investment management and engagement services to more than ten thousand (10,000) institutions and intermediaries, its clients include corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. Headquartered in Pittsburgh, the Federated Hermes group of companies employs more than two thousand (2,000) employees including those in London, New York, Boston and several other offices worldwide.

The Investment Manager has appointed another member of the Federated Hermes group of companies, Federated Investors Australia Services Ltd, as a sub-distributor of the Fund.

Another related party of the Investment Manager, Federated Investment Counseling, is the adviser ('Adviser') of the Federated Hermes Project and Trade Finance Master Fund ('Underlying Fund') in which the Fund invests all or substantially all of its assets.

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<sup>1</sup> As of 30 June 2025

<sup>2</sup> As of 30 June 2025

Another related party of the Investment Manager, Federated Hermes (UK) LLP, is the sub-adviser ('Sub-Adviser') of the Underlying Fund.

### **Federated Hermes Global Trade Finance Fund**

Neither the Responsible Entity nor the Investment Manager guarantees the performance of the Fund or the return of capital or income. Your investment in the Fund is subject to investment risk. This could involve delays in repayment and loss of income or the principal invested.

The Responsible Entity is responsible for overseeing the operations of the Fund. The Investment Manager is responsible for selecting and managing the assets of the Fund.

For more information on the Fund's investments, see section 2 on pages 11 - 13 of this PDS.

## B. Federated Hermes Global Trade Finance Fund

<b>Fund name</b>	Federated Hermes Global Trade Finance Fund
<b>ARSN</b>	690 362 497
<b>Responsible Entity</b>	The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235150
<b>Investment Manager</b>	<p>Hermes Investment Management Limited, a limited liability company incorporated under the laws of England and Wales, will serve as investment manager to the Fund and in such capacity will provide certain investment management services to the Fund.</p> <p>The Investment Manager is authorised by the Financial Conduct Authority to carry on regulated activities in the United Kingdom and is subject to the rules of the Financial Conduct Authority. The Investment Manager is exempted from the requirement to hold an Australian financial services license under ASIC Class Order 03/1099.</p>
<b>Custodian</b>	Perpetual Corporate Trust Limited ABN 99 000 341 533 AFSL 392673
<b>Administrator</b>	Apex Fund Services Pty Ltd ABN 81 118 902 891
<b>Unit Registry</b>	Apex Fund Services Pty Ltd ABN 81 118 902 891
<b>Auditor</b>	KPMG ABN 47 008 644 728
<b>Eligible Investors</b>	<p>Australian wholesale investors; and</p> <p>Australian advised retail investors accessing the fund through an IDPS.</p> <p>It is a condition for an investment into the Fund by an investor who is a retail client (as defined in the Corporations Act) that the investor has received personal financial advice in respect of the Fund and is investing through an IDPS.</p>
<b>Listing</b>	The Units will not be listed on any securities exchange.
<b>About the Fund</b>	<p>The Federated Hermes Global Trade Finance Fund is an Australian registered managed investment scheme.</p> <p>The Fund is a 'feeder fund' that invests all or substantially all of its assets in the Federated Hermes Project and Trade Finance Master Fund ('Underlying Fund'). The Underlying Fund is a sub-fund of the Federated Hermes Alternative Funds ICAV, an umbrella fund with segregated liability between sub-funds established as an Irish collective asset-management vehicle ('ICAV'). It was established on 14 June 2017 under registration number C169285 and was authorised by the Central Bank of Ireland on 13 November 2017.</p> <p>The adviser for the Underlying Fund is Federated Investment Counseling ('Adviser') and the sub-adviser for the Underlying Fund is Federated Hermes (UK) LLP ('Sub-Adviser'). The Adviser is a statutory trust organised under the laws of Delaware and a registered investment adviser with the United States Securities and Exchange Commission. The Sub-Adviser is a limited liability partnership incorporated under the laws of England and Wales. The Sub-Adviser is authorised by the Financial Conduct Authority to carry on regulated activities in the United Kingdom and is subject to the rules of the Financial Conduct Authority.</p> <p>The Fund will invest in an AUD-denominated share class of the Underlying Fund.</p> <p>For more information on the Fund and the Underlying Fund's investments and investment strategy, see section 2 on pages 11 – 13 of this PDS.</p>

<b>Investment objective</b>	The Fund's investment objective is to obtain total return primarily from income through investments in the Underlying Fund <sup>3</sup> .
<b>Significant benefits</b>	<p>Investing in the Fund offers investors a range of benefits, including:</p> <ul style="list-style-type: none"> <li>• access to a growing asset class previously difficult to access for most investors;</li> <li>• the potential for a competitive return with historically low volatility and low correlation with other asset classes;</li> <li>• reduced reliance on traditional return drivers; and</li> <li>• negligible interest rate risk through a floating rate structure and self-liquidating transactions.</li> </ul>
<b>Investor profile</b>	<p>The Fund may be appropriate for investors who:</p> <ul style="list-style-type: none"> <li>• are seeking income generation;</li> <li>• are comfortable with limited liquidity and an inability to access capital on less than 3 months' notice;</li> <li>• are comfortable holding an investment in the Fund for a minimum of 3 years;</li> <li>• are seeking to make a satellite allocation of no more than 10% of total investable assets; and</li> <li>• are comfortable with the risks associated with investing in emerging markets.</li> </ul> <p>The Fund may not be appropriate for investors who:</p> <ul style="list-style-type: none"> <li>• are seeking investment objectives other than income generation, such as capital appreciation;</li> <li>• may require immediate or short-term access to their capital;</li> <li>• are seeking a short term investment horizon;</li> <li>• are seeking to make a greater than satellite allocation of their total investable assets; and</li> <li>• are not comfortable with the risks associated with investing in emerging markets.</li> </ul>
<b>Risks</b>	<p>All investments are subject to risk.</p> <p>The significant risks associated with the Fund are described in section 3 on pages 13 - 22 of this PDS.</p>
<b>Valuation</b>	The Net Asset Value ('NAV') of the Fund is calculated by the Administrator by dividing the net assets of the Fund by the number of Units on issue in the Fund and will be determined by reference to the valuation reports provided by the Underlying Fund.
<b>Distributions</b>	<p>The Fund will distribute income monthly. This is aligned with the distribution frequency of the Underlying Fund.</p> <p>For more information on distributions, see pages 26 – 28 of section 4 of this PDS.</p>
<b>Entering and exiting the Fund</b>	<p>Applications for Units will be processed monthly. Investors must submit an application for Units by the first calendar day of each month.</p> <p>Redemptions will be subject to the redemption provisions of the Underlying Fund, as outlined in section 4 on page 24 - 26 of this PDS. Redemption requests must be submitted by the first calendar day of each quarter. Redeeming investors will generally receive their redemption proceeds within eight Business Days of acceptance of a redemption request at the end of a quarter (March, June, September and December).</p> <p>The Underlying Fund imposes further limitations on redemptions, as discussed on pages 24 - 26 of section 4 of this PDS.</p>

<sup>3</sup> The Fund may not achieve its investment objective. Returns, capital and income are not guaranteed.



Liquidity	<p>The assets of the Underlying Fund are generally expected to be illiquid (as defined in the Corporations Act). As such, an investment in the Fund is also generally expected to be illiquid and investors should take this into consideration when deciding whether to invest in the Fund.</p> <p>Please see section 4 on page 24 of this PDS for more information on your ability to withdraw where the Fund is considered to be illiquid.</p>
Leverage	<p>Leverage will not be used by the Fund.</p> <p>The Underlying Fund does not intend to borrow on a systematic basis for investment purposes. The Underlying Fund may, however, temporarily borrow and incur leverage to fund investment opportunities, to fund redemptions, to enter into foreign exchange and interest rate hedging transactions and for liquidity purposes.</p> <p>For more information on leverage used by the Underlying Fund, see pages 11 - 12 of section 2 of this PDS.</p>
Derivatives	<p>Derivatives will not be used by the Fund.</p> <p>From time to time, the Underlying Fund may employ a wide range of hedging techniques and instruments for risk management with respect to the Underlying Fund's investments, which may include derivatives.</p> <p>For more information on derivatives used by the Underlying Fund, see page 12 of section 2 of this PDS.</p>
Short Selling	<p>Short Selling will not be used by the Fund. The Underlying Fund will not engage in short selling.</p>
Minimum investment	<p>\$200,000, subject to the Responsible Entity's discretion to waive the minimum amount for an initial application.</p>
Minimum additional investment	<p>\$10,000, subject to the Responsible Entity's discretion to waive the minimum amount for an additional application.</p>
Minimum redemption	<p>The Fund does not have a minimum redemption amount.</p>
Management fees and other costs	<p>The management fees and costs of the Fund are estimated to be 0.90% per annum of the NAV of the Fund, including GST and net of RITC.</p> <p>For more information on the management fees and costs of the Fund, see section 5 on pages 30 - 32 of this PDS.</p>
Performance Fees	<p>Nil</p>
Transaction Costs	<p>The transaction costs are estimated to be 0.08% per annum of the NAV of the Fund.</p> <p>For more information on the transaction costs of the Fund, see pages 30 - 32 of section 5 of this PDS</p>
Exit and Entry Fees	<p>Nil</p>
Cooling off	<p>As the Fund only accepts wholesale investors and investors accessing the Fund through an IDPS, no cooling off period will apply in relation to any application for an investment in the Fund and once an application has been made, the investor will have no right to withdraw that application or any monies paid or payable to the Fund.</p>

Transaction confirmation	<p>To keep you up-to-date with your investment, the following information will be provided:</p> <ul style="list-style-type: none"> <li>(i) confirmation of every transaction you make;</li> <li>(ii) periodic statements – including your opening and closing balances, a summary of all transactions on your account, any increases in contributions and any return on investments during the reporting period;</li> <li>(iii) following the end of the tax year, a report to help you with your tax return;</li> <li>(iv) each year, the audited annual financial report of the Fund can be accessed on the Investment Manager's website at <a href="#">Trade Finance   Federated Hermes Limited</a>; and</li> <li>(v) notice of any material changes to this PDS and any other significant events.</li> </ul>
General information and updates	<p>Further information, including any updates issued by the Responsible Entity and other statutory reports, can be found at <a href="#">Trade Finance   Federated Hermes Limited</a>.</p>
IDPS	<p>Where this PDS refers to an IDPS such reference also includes reference to IDPS-like schemes where appropriate.</p>
The Fund's investments	<p>The Fund invests all or substantially all of its assets into the Underlying Fund.</p> <p>The Underlying Fund will invest in trade finance, structured trade, export finance, import finance, supply chain financing and project finance assets of entities, including sovereign entities ('Trade Finance Related Investments'). Trade Finance Related Investments will be located primarily in or have exposure to global emerging markets.</p> <p>The Fund may hold small cash balances for the purpose of meeting Fund operating costs.</p>
Minimum suggested investment timeframe	<p>The minimum suggested investment timeframe for the Fund is 3 years.</p>
Date the Fund was established	<p>7 August 2025</p>

## 2. Investment Strategy

### Investment objective

The Fund's investment objective is to provide total return primarily from income through investing in the Underlying Fund.

The Fund may not achieve its investment objective. Returns are not guaranteed.

### Investment strategy of the Fund

The Fund pursues its investment objective primarily by investing in trade finance, structured trade, export finance, import finance, supply chain financing and project finance assets of entities, including sovereign entities ('Trade Finance Related Investments') through holdings in the Underlying Fund.

Trade Finance Related Investments will be located primarily in or have exposure to global emerging markets.

### Investment Strategy of the Underlying Fund

Under normal circumstances, the Underlying Fund will invest primarily in Trade Finance Related Investments of companies or other entities (including sovereign entities) located primarily in or having exposure to global emerging markets.

Trade Finance Related Investments refer to the capital needed to buy or sell, or import or export, products or other tangible goods. Project finance transactions are typically used to build something tangible or to expand existing plant capacity to produce more goods for trade and the Underlying Fund typically invests in project finance deals when the project has been largely completed and goods are being produced for export (i.e. transactions of a short-term nature).

Under normal circumstances, the Underlying Fund intends to hold its positions through to maturity. Investments in Trade Finance Related Investments are often unrated but may also be below investment grade.

Trade finance is a risk mitigated asset class and historically, while trade finance is not immune from default arising from credit or sovereign risk factors, during periods of financial stress, treatment of trade finance creditors typically has been preferential either formally or informally as a result of:

- the underlying use or purpose of funds (such as critical imports or key exports, governmental economic priorities, etc.);
- the types of transactional security (such as export contracts, escrow accounts, inventory,

fixed assets, etc.); and

- the recognition of the economic benefit that is derived from trade generally.

During sovereign and corporate restructurings, Trade Finance Related Investments can achieve differentiated treatment in a default and then recovery situation compared to other forms of debt.

The Underlying Fund's investments are expected to consist primarily of loans, or similar instruments used to finance U.S. and non-U.S. trade and related infrastructure projects. These are expected to include, but not be limited to, facilities for pre-export finance, process and commodities finance, receivables financing, letters of credit and other documentary credits, promissory notes, bills of exchange and other negotiable instruments. The Underlying Fund may engage in such investments by way of purchase, assignment, participation, guarantee, insurance, derivative or any other appropriate financial instrument. The Underlying Fund's investments can be secured against the subject goods or sales proceeds, or unsecured. It is expected that the Underlying Fund will not invest in excess of 40% of its NAV in unsecured credit investments.

The Underlying Fund may invest, without limitation, in securities and obligations for which there is no readily available trading market or which are otherwise illiquid, including trade finance securities and other fixed-income or derivative instruments.

The Underlying Fund may also take positions in traditional assets including bonds, (investment grade or non-investment grade otherwise known as 'junk bonds') debt securities, equities, foreign exchange instruments, as well as derivatives for the purposes set forth below. The instruments in which the Underlying Fund invests may be guaranteed by the U.S. government. A substantial portion of the Underlying Fund's investments will be in obligations of non-U.S. issuers or borrowers, including those of issuers in global emerging markets.

The Underlying Fund may be invested to a lesser extent in other types of fixed-income securities and money market instruments.

### Use of Leverage by the Underlying Fund

The Underlying Fund does not intend to borrow

on a systematic basis for investment purposes.

The Underlying Fund may, however, temporarily borrow and incur leverage to fund investment opportunities, to fund redemptions, to enter into foreign exchange and interest rate hedging transactions and for liquidity purposes. Whilst the use of leverage may offer the opportunity for enhanced returns to the Underlying Fund, it also adds risk to the investment (see section 3 on pages 13 - 22 of this PDS).

The maximum level of leverage that may be employed in connection with the Underlying Fund's investment program calculated in accordance with the gross method and the commitment method (as required by Alternative Investment Fund Managers Directive (2011/61/EU)) is 100% and 20%, respectively, of the Underlying Fund's NAV.

Notwithstanding the foregoing, the Underlying Fund may have a higher level of leverage in circumstances outside of the control of the Adviser, including during periods of market volatility or in other extraordinary circumstances. In such circumstances, the Adviser will make good faith efforts to bring the Underlying Fund's exposure back into compliance with these maximum levels but such event will not constitute a breach of an investment restriction adopted by the Underlying Fund.

#### **Use of Derivatives by the Underlying Fund**

The Underlying Fund enters into derivatives for the dominant purpose of hedging currency exposure.

From time to time, the Underlying Fund may enter into transactions for the purpose of hedging the currency exposure of its underlying securities into the base currency of the Underlying Fund, being USD.

If undertaken, the aim of this hedging will be to reduce the Underlying Fund's level of risk or to hedge the currency exposure to the currency of denomination of some or all of the Underlying Fund's underlying securities. Derivatives such as forward currency exchange contracts and currency swaps (which will seek to give exposure to an underlying currency) may be utilised if the Underlying Fund engages in such hedging. The currency exposure generated as a result of investing in securities which are denominated in a currency other than the base currency will not be allocated to separate classes.

In addition, the Underlying Fund is permitted to enter into transactions for the purpose of hedging the currency exposure of any class which is denominated in a currency other than the base currency of the Underlying Fund against fluctuations

in the base currency.

The Fund will be subscribing for AUD-denominated class shares in the Underlying Fund. The value of the investment at the time of subscription on an ongoing basis would be hedged against the base currency of the Underlying Fund to try and minimise the impact of currency movements.

The currency hedging transactions that may be entered into include foreign exchange spot transactions and forward transactions.

The use of derivatives, such as foreign exchange forward transactions, introduces additional risks, such as counterparty risk, that otherwise would not be present. The significant risks associated with the Fund are described in section 3 on pages 13 - 22 of this PDS.

#### **Diversification of the Underlying Fund**

The Adviser will attempt to identify opportunities and invest the Underlying Fund's assets in Trade Finance Related Investments. Specifically, these securities will consist of trade finance, structured trade finance, project finance or export finance transactions where there is a flow of goods or services and a financing need.

These trade finance structures are subject to significant individual variation but typical structures may include, but are not be limited to, buyer's credit, contract frustration and trade credit indemnity, cross-border leases, export credit agency financing, import finance, inventory finance, letter of credit, multilateral agency financing, pre-export finance, pre-payment agreement, promissory notes, bills of exchange and other forms of negotiable instrument, receivables and supplier credit.

The Underlying Fund expects primarily to purchase trade finance loans and other loans by assignment, transfer or novation from a participant in the original syndicate of lenders or from subsequent holders of such interests.

The Underlying Fund may purchase participations on a primary basis from a mandated lead arranger during the formation of the original syndicate making such loans.

The Underlying Fund may participate in such syndications, or can buy part of a loan,

becoming a part lender.

Loan participations typically represent direct participations in a loan to a corporate or other borrower, and generally are offered by banks or other financial institutions or on behalf of themselves or the lending syndicate.

When purchasing loan participations, the Underlying Fund assumes the credit risk associated with the corporate or other borrower and may assume the credit or counterparty risk associated with an interposed bank or other financial intermediary. In addition, the Underlying Fund will be subject to the requirements of each loan agreement, which may differ.

Typically, however, taking action under a loan agreement requires action by more than one lender and, generally, no one lender, unless they are at least a majority lender, can act unilaterally. When a loan is purchased by the Underlying Fund by way of an assignment, transfer or novation, the Underlying Fund generally is a lender of record on the loan agreement and has full voting rights per the loan agreement.

The Underlying Fund may also trade other financial instruments such as fixed-income securities, government securities, foreign exchange contracts, derivative contracts, futures contracts, option contracts, swap contracts and other investments, transactions, techniques.

The Underlying Fund may also invest its assets in securities of other collective investment schemes, including another sub-fund of the ICAV, as part of the Underlying Fund achieving its investment policy. The Underlying Fund may also invest in other collective investment schemes, including the securities of affiliated money market funds, as an efficient means of implementing its investment strategies and/or managing its uninvested cash. These other collective investment schemes are managed independently of the Underlying Fund and incur additional fees and/or expenses which would, therefore, be borne indirectly by the Underlying Fund in connection with any such investment. Any additional fees and/or expenses incurred will form part of the Indirect costs of the Fund.

#### **Labour standards, environmental, social and ethical considerations**

Neither the Fund nor the Underlying Fund

formally incorporate labour, environmental, social and ethical considerations ('ESG') into the selection, retention or realisation of investments.

The Investment Manager, Adviser and the Sub-Adviser have no predetermined view about what it regards to be a labour standard or an environmental, social or ethical consideration.

### **3. Risks of Investing in the Fund**

This section provides investors with risk disclosure that is relevant to the Fund. All investments carry risk. The likely investment return and the risk of losing money is different for each managed investment scheme as different strategies may carry different levels of risk depending on the portfolio of assets that make up the scheme.

Those assets with potentially higher long-term returns may also have a higher risk of losing money in the shorter term. Please consult with a licensed financial adviser to determine your own risk/reward profile.

Risks can be managed but cannot be completely eliminated. It is important to understand that:

- the value of your investment will go up and down;
- investment returns will vary, and future returns may be different from past returns;
- returns are not guaranteed and there is always the chance that you may lose money on any investment you make; and
- laws affecting your investment in a managed investment scheme may change over time.

The appropriate level of risk for you will depend on a range of factors including your age, investment time frame, where other parts of your wealth are invested and your risk tolerance.

In identifying the significant risks associated with the Fund, as the only investment held is the Underlying Fund, the risks associated with the Underlying Fund are also the risks of the Fund. We have therefore also considered the risks resulting

from the investment management activities of the Underlying Fund.

The significant risks you will be exposed to through your investment in the Fund include:



Risk	Definition
Investment Opportunity Risk	<p data-bbox="429 309 1378 416">The success of the Fund depends on the identification by, and the availability of suitable investment opportunities to, the Underlying Fund. The availability of investment opportunities will be subject to market conditions and other factors outside the control of the Underlying Fund, Adviser and Sub-Adviser.</p> <p data-bbox="429 443 1378 521">Past returns of the Underlying Fund may not reoccur or continue, and there can be no assurance that the Underlying Fund, and hence the Fund, will be able to achieve comparable returns.</p> <p data-bbox="429 548 1323 656">There can be no assurance that the Underlying Fund will be able to identify sufficient, attractive investment opportunities to meet its investment objectives, or that it will otherwise be successful in implementing its investment objectives or avoiding losses.</p> <p data-bbox="429 683 1339 790">Past performance of investments associated with the Investment Manager is not indicative of future results, and there can be no assurance that the Fund will attain performance sufficient to meet the investment objectives of the Fund.</p>
Diversification Risk	<p data-bbox="429 837 1378 994">The Fund invests all or substantially all of its assets in the Underlying Fund. The Underlying Fund may not always be fully diversified and may invest a higher percentage of its assets among fewer issuers of portfolio securities. In certain situations, being less diversified may reduce the Underlying Fund's credit risk by enabling it to avoid investing in certain countries, regions or sectors that exhibit above average credit risk.</p> <p data-bbox="429 1021 1378 1099">However, being less diversified may also increase the Underlying Fund's risk by magnifying the impact (positively or negatively) that one or a low number of issuers has on the Underlying Fund's share price and performance.</p>
Changing Regulatory Environment Risk	<p data-bbox="429 1146 1370 1252">Governmental authorities and other politicians around the world have in recent years implemented or called for financial system regulatory reform in reaction to volatility and disruption in the global financial markets, including financial institution failures and financial frauds.</p> <p data-bbox="429 1279 1347 1467">Such reform includes additional regulation of investment funds (including the Fund and the Underlying Fund) and their managers and their activities, including additional compliance, risk management and other procedures, restrictions on specific types of investments and the provision and use of leverage, transparency requirements, limitations regarding compensation to managers, changes to tax treatment, and books and records, reporting and disclosure requirements.</p> <p data-bbox="429 1494 1347 1650">The impact of such reform measures on the Fund and the Underlying Fund cannot be predicted with certainty but could result in increased exposure to potential liabilities, increased legal, compliance, tax and other related costs, reduced investment opportunities, additional administrative burdens and increased transparency as to the identity of the investors in the Fund and the Underlying Fund.</p> <p data-bbox="429 1677 1378 1785">The possibility for elections in various countries could result in new governing coalitions or parties which may increase the uncertainty about the trajectory of any potential laws, rules, regulations, taxes and tariffs that may impact the Underlying Fund, its investments and their sponsors.</p>

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**Changing Regulatory Environment Risk**

Governmental authorities and other politicians around the world have in recent years implemented or called for financial system regulatory reform in reaction to volatility and disruption in the global financial markets, including financial institution failures and financial frauds.

Such reform includes additional regulation of investment funds (including the Fund and the Underlying Fund) and their managers and their activities, including additional compliance, risk management and other procedures, restrictions on specific types of investments and the provision and use of leverage, transparency requirements, limitations regarding compensation to managers, changes to tax treatment, and books and records, reporting and disclosure requirements.

The impact of such reform measures on the Fund and the Underlying Fund cannot be predicted with certainty but could result in increased exposure to potential liabilities, increased legal, compliance, tax and other related costs, reduced investment opportunities, additional administrative burdens and increased transparency as to the identity of the investors in the Fund and the Underlying Fund.

The possibility for elections in various countries could result in new governing coalitions or parties which may increase the uncertainty about the trajectory of any potential laws, rules, regulations, taxes and tariffs that may impact the Underlying Fund, its investments and their sponsors.

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**Illiquid Investments**

The Underlying Fund may hold some highly illiquid investments which may limit the ability of the Fund to redeem its holdings in the Underlying Fund (and, by extension, limit the Responsible Entity's ability to accept redemptions in the Fund). The Underlying Fund in some cases may have limited ability to be able to transfer or withdraw from its investments within a reasonable time period that would facilitate liquidity in the Fund and Underlying Fund.

In addition, the investments of the Underlying Fund will be trade finance investments which are not listed on any stock exchange or securities market, and the established or recognised market (if any) for the investments may be relatively small and/or poorly developed, therefore trades may only be executed on a matched bargain basis and prices may not be published or be readily available from an independent price source.

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**Redemption Risk**

Should a large number of shareholders of the Underlying Fund decide to redeem from the Underlying Fund, the Underlying Fund could be forced to liquidate investments prematurely, causing losses to the Underlying Fund and therefore to the Fund.

Actions taken to meet substantial redemption requests from the Underlying Fund could result in prices of the Underlying Fund's investments decreasing and / or expenses increasing (e.g. due to increased transaction costs or in connection with the termination of counterparty agreements).

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#### Interest Rate Risk

Prices of fixed-income securities rise and fall in response to changes in interest rates. Generally, when interest rates rise, prices of fixed-income securities fall. However, market factors, such as the demand for particular fixed-income securities, may cause the price of certain fixed-income securities to fall while the prices of other securities rise or remain unchanged. It is difficult to predict the pace at which central banks or monetary authorities may increase interest rates or the timing, frequency, or magnitude of such increases.

Any such changes could be sudden and could expose the fixed-income market to heightened volatility and could cause the value of the Underlying Fund's investments and the Underlying Fund's NAV, to decline, potentially suddenly and significantly, which may negatively impact the Underlying Fund and by extension the Fund's performance. The longer the duration of a fixed-income security, the more susceptible it is to interest rate risk.

Recent and potential future changes in monetary policy made by central banks and/or their governments are likely to affect the level of interest rates. Duration measures the price sensitivity of a fixed-income security given a change in interest rates. Certain factors, such as the presence of call features, may cause a particular fixed-income security, or the Underlying Fund as a whole, to exhibit less sensitivity to changes in interest rates.

Certain of the Underlying Fund's investments may also be valued, in part, by reference to the relative relationship between interest rates on tax-exempt securities and taxable securities, respectively. When the market for tax-exempt securities underperforms (or outperforms) the market for taxable securities, the value of these investments may be negatively affected (or positively affected).

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#### Economic Risks

Economic volatility and disruption could adversely affect the performance of the Underlying Fund and the Fund.

The value of the Underlying Fund may decline in tandem with a drop in the overall value of the markets in which it invests and/or the stock market based on negative developments in the U.S. and global economies. Economic, political and financial conditions may, from time to time, cause volatility, illiquidity, or other potentially adverse effects in the financial markets, including the fixed-income market. The commencement, continuation or ending of government policies and economic stimulus programs, changes in monetary policy, increases or decreases in interest rates, or other factors or events that affect the financial markets, including the fixed-income markets, may contribute to the development of or increase in volatility, illiquidity, shareholder redemptions and other adverse effects which could negatively impact the Underlying Fund and Fund's performance.

For example, the value of certain portfolio securities may rise or fall in response to changes in interest rates, which could result from a change in government policies, and has the potential to cause investors to move out of certain portfolio securities, including fixed-income securities, on a large scale. This may increase redemptions from funds that hold large amounts of certain securities and may result in decreased liquidity and increased volatility in the financial markets. Market factors, such as the demand for particular portfolio securities, may cause the price of certain portfolio securities to fall while the prices of other securities rise or remain unchanged.

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#### Key Personnel Risk

The success of the Fund and Underlying Fund will depend in part upon the skill and expertise of investment professionals of the Investment Manager, Adviser and Sub-Adviser. There can be no assurance that such professionals will continue to be associated with any entity, and any departure or resignation of any key employee could have an adverse impact on the performance of the Underlying Fund and the Fund.

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#### Leverage Risk

Leverage risk is created when an investment, which includes, for example, an investment in a derivative contract, exposes the Underlying Fund to a level of risk that exceeds the amount invested.

Changes in the value of such an investment magnify the Underlying Fund's and by extension the Fund's risk of loss and potential for gain. Investments can have these same results if their returns are based on a multiple of a specified index, security or other benchmark.

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#### Tax Risks

Tax consequences to the Unit holders from an investment in the Fund are complex. Potential Unit holders are strongly urged to review the discussion below under section 7 on pages 36 - 39 of this PDS and seek advice from a qualified professional tax adviser.

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#### Emerging Markets Risks

The Underlying Fund is exposed to foreign markets, especially emerging markets. Investors should be aware that the risks associated with an investment in emerging markets are higher than those attached to similar investments in developed countries.

Investment in emerging markets involves risk factors and special considerations which may not be typically associated with investing in more developed markets. These include risks such as political and economic instability, underdeveloped legal and financial infrastructure, and less stringent regulatory oversight.

The Underlying Fund may face increased volatility, higher transaction and custodial costs, limited transparency, and greater exposure to default risk, particularly with below-investment-grade or unrated securities. Taxation in these markets may also be unpredictable, potentially impacting returns and requiring significant provisions in the Underlying Fund's valuation.

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#### Legal and Taxation Risk

Laws and regulations in various jurisdictions, particularly those relating to foreign investment and taxation, may impose costs and expenses on the Fund, the Underlying Fund and its investments.

Laws in emerging markets may be less sophisticated than in developed countries. Accordingly, the Underlying Fund may be subject to additional legal risks concerning its investments in the underlying trade finance related security and in particular the effectiveness of various legal contracts that form the trade finance related security such as loan documentation, local law security agreements and collateral management arrangements.

These include, but are not limited to, inadequate investor protection, unclear or contradictory legislation or regulations and lack of enforcement thereof, ignorance or breach of legislation or regulations on the part of other market participants, lack of legal redress and breaches of confidentiality. It may be difficult to obtain and enforce a judgment in certain emerging markets against borrowers or against local assets which provide collateral or security in support of a specific investment in a trade finance-related security in which the Underlying Fund may be invested.

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#### Currency Risk

Currency risk is the risk that changes in currency exchange rates, with respect to a reference currency, will negatively affect securities denominated in, and/or receiving revenues in, currencies other than such reference currency.

The combination of currency risk and market risks tends to make securities traded in one or more markets outside of the base currency more volatile than securities traded exclusively in the base currency. The base currency for the Underlying Fund is US dollars ('Base Currency') and the Underlying Fund will attempt to manage currency risk by limiting the amount it invests in securities denominated in a particular currency.

However, diversification will not protect the Underlying Fund against a general increase in the value of the U.S. dollar relative to other currencies. Investing in currencies or securities denominated in a currency other than the U.S. dollar entails risk of being exposed to a currency that may not fully reflect the strengths and weaknesses of the economy of the country or region utilising the currency.

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#### Currency Hedging Risks

The Fund will be investing in the AUD-denominated share class ('Share Class') of the Underlying Fund.

Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such shares as expressed in the designated currency.

The Underlying Fund may try, but is not obliged, to mitigate this risk by using financial instruments provided that such instruments shall in no case exceed 105% of the NAV attributable to the relevant share class of the Underlying Fund or fall short of 95% of the portion of the NAV of the relevant share class which is to be hedged. In addition, hedged positions materially in excess of 100% of NAV and hedged positions falling short of the level described above will not be carried forward from month to month.

Investors should be aware that this strategy may substantially limit shareholders of the relevant share class from benefiting if the designated currency weakens against the Base Currency. In such circumstances, shareholders of the relevant share class of the Underlying Fund may be exposed to fluctuations in the NAV per share reflecting the gains / losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets / liabilities of the Underlying Fund as a whole. However, the gains / losses on and the costs of the relevant financial instruments will accrue solely to the relevant share class of the Underlying Fund.

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#### Cybersecurity Risk

The Investment Manager, the Fund and the Underlying Fund's service providers and other counterparties increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Fund and its investors.

For example, unauthorised third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to, these systems of the Responsible Entity, the Investment Manager, the Fund or the Underlying Fund's service providers, and other counterparties (or data within these systems). Third parties may also attempt to fraudulently induce employees, clients, third-party service providers or other users of the Investment Manager or the Responsible Entity's systems or the systems of their respective service providers or counterparties to disclose sensitive information in order to gain access to the Investment Manager or the Responsible Entity's data or that of the Fund's investors.

A successful penetration or circumvention of the security of such systems could result in the loss or theft of data or funds of the Fund or its investors, the inability to access electronic systems, loss or theft of proprietary or personal information or corporate data, physical damage to a computer or network system, and/or costs associated with system repairs. Such incidents could cause the Fund, the Investment Manager, the Responsible Entity, their service providers and/or other counterparties to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

Conflicts of interest risk	<p>The Responsible Entity, the Investment Manager and their affiliates and its various service providers may from time to time act as issuer, investment manager, market maker, custodian, unit registry, broker, administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Fund. It is, therefore, possible that any of them may have potential conflicts of interest with the Fund.</p> <p>The assets of the Fund are held by Perpetual Corporate Trust Limited, a subsidiary of Perpetual Limited and related party of the Responsible Entity. There may be potential conflicts of interest for the Perpetual Group in relation to these roles.</p> <p>The Responsible Entity, the Investment Manager and their affiliates may invest in, directly or indirectly, or manage or advise other funds which invest in assets which may also be purchased by the Fund or the Underlying Fund. Neither the Responsible Entity nor any of its affiliates nor any person connected with it is under any obligation to offer investment opportunities to the Fund.</p> <p>The Investment Manager provides investment advice to a variety of clients, including through other accounts and investment funds, and expects to have additional clients in the future. These other clients may have goals that are similar to or overlap with those of the Fund and the Underlying Fund. As a result, the Investment Manager and its affiliates (including, without limitation, the Adviser and Sub-Adviser of the Underlying Fund) – and each of their respective directors, officers, partners and employees – may be subject to various conflicts of interest in their relationships and dealings with the Fund or the Underlying Fund.</p> <p>The Responsible Entity and the Investment Manager have policies and procedures in place to manage any conflicts of interest, which ensure that any actual or potential conflicts of interest are identified and appropriately dealt with.</p>
Counterparty risk	<p>Credit risk includes the possibility that a party to a transaction involving the Underlying Fund will fail to meet its obligations. This could cause the Underlying Fund to lose the benefit of the transaction or prevent the Underlying Fund from selling or buying other securities to implement its investment strategy.</p>
Fund risk	<p>The Responsible Entity may elect, in accordance with the Constitution and Corporations Act, to terminate the Fund for any reason.</p>
Operational risk	<p>The following risks may adversely affect the Fund and its performance: the Fund could terminate, its features could change, the Responsible Entity may not be able to continue to act as responsible entity for the Fund; third party service providers engaged by the Responsible Entity for the Fund may not properly perform their obligations and duties to the Responsible Entity; or circumstances beyond the reasonable control of the Responsible Entity may occur, such as failure of technology or infrastructure, or natural disasters.</p>
Transportation and Warehousing Risk	<p>Because of the transaction structuring involved, certain of the Underlying Fund's investments will be backed by commodities or other trade finance goods in transit or held in warehouses or physical assets such as plant or land. Negligence and fraud are always significant risks in transactions involving the financing of such assets. The Underlying Fund may use methods to minimise such risks but no assurance can be given that such efforts will be successful.</p>
Collateral Price Risk	<p>Many investment transactions may be supported or secured by underlying collateral, which may include primary commodities, and other secondary or tertiary goods or physical assets. The price of this commodity or asset collateral may be highly volatile in terms of value or subject to illiquidity at the time of a required sale.</p>

Market Risk	<p>The profitability of the investment strategy of the Underlying Fund may depend on correct assessments of the future course of credit spreads of trade finance loans and other investments by the Adviser. There can be no assurance that the Adviser will be able to accurately predict such price movements.</p>
Specificity of Certain Investments Risk	<p>Certain securities in particular jurisdictions may only be held by entities (often banks) resident in those jurisdictions, and not directly by the Underlying Fund. Depending on the existence or otherwise and local interpretation of trust or fiduciary laws in the relevant jurisdiction, the Underlying Fund may have the risk of such entity holding or registering such security. In the event of the insolvency of such an entity, the Underlying Fund may only rank as an unsecured creditor and the whole or part of such security may be lost.</p> <p>The Underlying Fund may also acquire participations, sub-participations or other interests in emerging market debt, where the additional performance risk of the grantor of such interest will be taken, as well as the risk of the underlying emerging market debt. In the event of the insolvency of the grantor, the relevant Underlying Fund would only rank as an unsecured creditor and the whole or part of the relevant investments may be lost.</p>
Issuer Credit Risk	<p>It is possible that interest or principal on securities will not be paid when due. Non-investment grade securities generally have a higher default risk than investment grade securities. Such non-payment or default may reduce the value of the Underlying Fund's portfolio holdings, its share price and its performance.</p> <p>Many fixed-income securities receive credit ratings from nationally recognised statistical rating organisations ('NRSROs') such as Fitch Rating Service, Moody's and Standard &amp; Poor's that assign ratings to securities by assessing the likelihood of an issuer and/or guarantor default. Higher credit ratings correspond to lower perceived credit risk and lower credit ratings correspond to higher perceived credit risk. Credit ratings may be upgraded or downgraded from time to time as an NRSRO's assessment of the financial condition of a party obligated to make payments with respect to such securities and credit risk changes. The impact of any credit rating downgrade can be uncertain. Credit rating downgrades may lead to increased interest rates and volatility in financial markets, which in turn could negatively affect the value of the Underlying Fund's portfolio holdings, its share price and its investment performance. Credit ratings are not a guarantee of quality. Credit ratings may lag behind the current financial conditions of the issuer and/or guarantor and do not provide assurance against default or other loss of money. Credit ratings do not protect against a decline in the value of a security. If a security has not received a rating, the Underlying Fund must rely entirely upon the Adviser's credit assessment.</p> <p>Fixed-income securities generally compensate for greater credit risk by paying interest at a higher rate. The difference between the yield of a security and the yield of a U.S. Treasury security or other appropriate benchmark with a comparable maturity (the 'spread') measures the additional interest paid for risk. Spreads may increase generally in response to adverse economic or market conditions. A security's spread may also increase if the security's rating is lowered, or the security is perceived to have an increased credit risk. An increase in the spread will cause the price of the security to decline if interest rates remain unchanged.</p>
Prepayment Risk	<p>During periods of declining interest rates or for other purposes, borrowers may exercise their option to prepay principal earlier than scheduled which may force the Underlying Fund to reinvest in lower-yielding debt instruments.</p>

Call Risk	<p>Call risk is the possibility that an issuer may redeem a fixed-income security before maturity (a “call”) at a price below its current market price. An increase in the likelihood of a call may reduce the security’s price. If a fixed-income security is called, the Underlying Fund may have to reinvest the proceeds in other fixed-income securities with lower interest rates, higher credit risks or other less favourable characteristics.</p>
Liquidity Risk	<p>Trading opportunities are more limited for fixed-income securities that have not received any credit ratings, have received any credit ratings below investment grade or are not widely held. These features may make it more difficult to sell or buy a security at a favourable price or time. Consequently, the Underlying Fund may have to accept a lower price to sell a security, sell other securities to raise cash or give up an investment opportunity, any of which could have a negative effect on the Underlying Fund’s performance. Infrequent trading of securities may also lead to an increase in their price volatility. Non-investment grade securities generally have less liquidity than investment grade securities.</p> <p>Liquidity risk also refers to the possibility that the Underlying Fund may not be able to sell a security or close out a derivative contract when it wants to. If this happens, the Underlying Fund will be required to continue to hold the security or keep the position open, and the Underlying Fund could incur losses.</p> <p>OTC derivative contracts generally carry greater liquidity risk than exchange-traded contracts. This risk may be increased in times of financial stress, if the trading market for OTC derivative contracts becomes restricted.</p> <p>Loan instruments may not be readily marketable and may be subject to restrictions on resale. In some cases, negotiations involved in disposing of loans may require weeks to complete. This could pose a liquidity risk to the Underlying Fund. Additionally, collateral on loan instruments may consist of assets that may not be readily liquidated, and there is no assurance that the liquidation of such assets will satisfy a borrower’s obligations under the instrument.</p>
Non-investment Grade Securities Risk	<p>Securities rated below investment grade, also known as junk bonds, generally entail greater economic, credit and liquidity risks than investment grade securities. For example, their prices are more volatile, economic downturns and financial setbacks may affect their prices more negatively, and their trading market may be more limited.</p>



## 4. Investing in the Fund

### A. Applications

Wholesale clients (as defined in the Corporations Act) can invest directly in Units of the Fund by completing the Initial Application Form and paying the application money by direct credit. Application Forms and Additional Application Forms can be accessed via the Investment Manager's website [Trade Finance | Federated Hermes Limited](#).

Investors investing through an investor directed portfolio service ('IDPS') should use the application form attached to their IDPS Guide (and not the Initial Application Form) to invest in the Fund.

The minimum initial investment amount is \$200,000, although the Responsible Entity may waive this requirement in its absolute discretion.

Investors must complete and submit the Initial Application Form and pay the application money (along with completing the identification documents) by the 1st calendar day of any given month ('Application Date'). Applications for Units can be made between 9:00am and 2:00pm (Sydney time). The Responsible Entity reserves the right to accept applications after this date.

Where the Application Date is not a Business Day, applications will need to be lodged by the last Business Day before the 1st calendar day of the relevant month.

Applications which are accepted will receive Units on the last Business Day of each month ('Application Dealing Date').

The NAV of the Fund is determined daily ("NAV Calculation Date") and applications which are accepted will receive the Unit price as at that particular Application Dealing Date. The application price will vary as the market value of assets in the Fund rises or falls.

Confirmations will typically be provided to investors by the 3rd Business Day of the month following the Application Dealing Date.

#### **Making an application**

To invest in Units, please complete the Initial Application Form and send to the Unit Registry:

Apex Fund Services Pty Ltd

Level 10, 12 Shelley St Sydney NSW 2000

T 1300 133 451

E: [registry@apexgroup.com](mailto:registry@apexgroup.com)

Or if transferring electronically you should direct credit your application monies to:

Account Name:

Perpetual Corporate Trust Limited ACF  
Federated Hermes Global Trade Finance  
Fund - Application Account

BSB: 082-057

Account Number: 783607684

Bank: National Australia Bank (NAB)

Please send the original Initial Application Form via email or post. Please note that cash cannot be accepted.

#### **Additional applications**

You can make additional investments in Units in the Fund of a minimum of \$10,000, unless otherwise determined by the Responsible Entity.

This is done by completing and mailing the Additional Application Form and then by transferring your additional investment amount to the bank account shown on the form.

If you are investing through an IDPS you should refer to the IDPS Guide for the minimum additional investment amount.

#### **Terms and conditions for applications**

The Responsible Entity reserves the right to refuse any application without giving a reason. If for any reason the Responsible Entity refuses or is unable to process your application to invest in the Fund, the Responsible Entity will return your application money to you, subject to regulatory considerations, less any taxes or bank fees in connection with the application.

Please note that we do not pay interest on application monies as such monies will not bear any interest.

Under the Anti-Money Laundering and Counter- Terrorism Financing Act 2006, applications made without providing all the information and supporting identification documentation requested on the Initial

Application Form cannot be processed until all the necessary information has been provided. As a result, delays in processing your application may occur.

### **Cooling off period**

As the Fund only accepts wholesale investors and investors accessing the Fund through an IDPS, no cooling off period will apply in relation to any application for an investment in the Fund and once an application has been made, the investor will have no right to withdraw that application or any monies paid or payable to the Fund.

## **B. Redemptions**

The Fund is subject to the redemption provisions of the Underlying Fund. The assets of the Underlying Fund are generally expected to be illiquid (as defined in the Corporations Act). As such, an investment in the Fund is also generally expected to be illiquid and investors should take this into consideration when deciding whether to invest in the Fund.

If, at any point in time, the Responsible Entity is not able to redeem its interests in the Underlying Fund, you may not be able to redeem your corresponding interests in the Fund.

The Fund does not have a minimum redemption amount.

### **Redemption Procedures**

Withdrawal Forms can be accessed via the Administrator's website at <https://www.apexgroup.com/fund-solution/transfer-agency-services/registry-australia/registry-forms/> or by emailing [registry@apexgroup.com](mailto:registry@apexgroup.com) or via the Investment Manager's website [Trade Finance | Federated Hermes Limited](#). Unit Holders may request that their Units be redeemed by completing, signing and submitting the Withdrawal Form by the first calendar day of any given quarter. This can be submitted between 9:00am and 2:00pm (Sydney time).

Where the first calendar day of the quarter is not a Business Day, redemption requests must be submitted by the last Business Day of the month before the first calendar day of the quarter. Any Withdrawal Forms received after this time will be processed in the following quarter.

Redemption requests are generally confirmed by the last Business Day of the quarter ('Redemption Dealing Date') subject to the Responsible Entity's

ability to limit redemption requests in any given quarter to the Redemption Limit (defined below).

Where the Fund is liquid, the Responsible Entity will generally allow an investor to access their funds on or about eight Business Days following the Redemption Dealing Date by transferring the redemption proceeds to such investor's nominated bank account. However, the Constitution of the Fund allows the Responsible Entity to effect payment up to 21 days after processing.

Where the Fund is not liquid (as defined in the Corporations Act) an investor does not have a right to withdraw from the Fund and can only withdraw where the Responsible Entity makes a redemption offer to investors in accordance with the Corporations Act. The Responsible Entity is not obliged to make such offers. A fund will be liquid if at least 80% of the assets of the fund are liquid assets. Generally, liquid assets are money in an account or on deposit with a financial institution, bank accepted bills, marketable securities, other prescribed property and other assets that the Responsible Entity reasonably expects can be realised for their market value within the period specified in the Constitution for satisfying redemption requests while the Fund is liquid. As the assets of the Underlying Fund are generally expected to be illiquid, the Fund itself is also expected to be illiquid.

The Responsible Entity reserves the right to change redemption timeframes for the Fund, subject to the Constitution and relevant law.

### **Redemption Limit**

The Responsible Entity may decide (in its sole discretion) to limit the number of Units which may be redeemed by the Fund in any given calendar quarter to Units representing 25% of the total NAV of the Fund on the relevant Redemption Dealing Date (the "Redemption Limit").

The Redemption Limit may apply regardless of the redemption provisions of the Underlying Fund.

In this event, the Redemption Limit will apply pro rata so that all Unitholders wishing to have their Units redeemed on that Redemption Dealing Date realise the same proportion of such



Units. Units not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Redemption Dealing Date and will be dealt with in priority (on a rateable basis) to redemption requests received subsequently. If requests for redemption are so carried forward, Unitholders affected will be informed thereof.

### **Redemption provisions of the Underlying Fund**

Directors of the Underlying Fund are entitled to limit the number of shares of the Underlying Fund redeemed on the last Business Day of each calendar quarter of the Underlying Fund ('Dealing Day') to shares representing 25% of the total NAV of the Underlying Fund on that Dealing Day.

In this event, the limitation will apply pro rata so that all shareholders wishing to have shares of the Underlying Fund redeemed on that Dealing Day realise the same proportion of such shares. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with in priority (on a rateable basis) to redemption requests received subsequently. If requests for redemption are so carried forward, the administrator of the Underlying Fund will inform the shareholders affected.

This restriction may further directly limit the ability of the Fund to redeem its shares in the Underlying Fund.

Where this occurs it is likely that the Responsible Entity will either apply the Redemption Limit for the Fund and/or not accept any redemption requests and accordingly limit the ability of investors to withdraw from the Fund.

If you have invested indirectly in the Fund through an IDPS, you need to provide your redemption request directly to your IDPS provider. The time to process a redemption request will depend on the particular IDPS provider.

PROSPECTIVE INVESTORS MUST BE AWARE OF THE POTENTIAL LIMITATIONS IN CONNECTION WITH THEIR ABILITY TO WITHDRAW FROM THE FUND. NOTE THAT NEITHER THE RESPONSIBLE ENTITY NOR THE INVESTMENT MANAGER PROVIDE ANY GUARANTEES CONCERNING THE LIQUIDITY OF THE FUND AND THE ABILITY OF AN INVESTOR TO WITHDRAW ITS INVESTMENT.

### **Redemption price**

The redemption price of a Unit in the Fund is based on the NAV of the Fund divided by the number of Units on issue.

The Responsible Entity can also make an allowance for the transaction costs required for selling investments to satisfy a redemption request (including any redemption fees charged by the Underlying Fund).

### **Making a redemption**

Investors of the Fund can withdraw their investment by submitting the Withdrawal Form to the Unit Registry:

Apex Fund Services Pty Ltd

Level 10, 12 Shelley St Sydney NSW 2000

T 1300 133 451

E: [registry@apexgroup.com](mailto:registry@apexgroup.com)

Alternatively, if you have invested indirectly in the Fund through an IDPS, you will need to provide your redemption request directly to your IDPS provider. You will need to contact the relevant IDPS provider regarding their redemption request cut-of times for pricing purposes. The time to process a redemption request will depend on the particular IDPS provider. You should refer to the IDPS Guide for the minimum redemption amount.

The Redemption Price will vary as the market value of assets referable to the Fund rises or falls.

The Responsible Entity can deny a redemption request in certain circumstances, including where the Underlying Fund suspends or restricts redemptions, where accepting the request would cause the Fund to cease to be liquid or where accepting the request would unfairly prejudice another investor.

The Responsible Entity may also refuse to comply with any request if the requesting party does not satisfactorily identify themselves as the investor. Redemptions will be paid directly to the investor's nominated bank account. This account must be in the name of the registered investor and held at a branch of an Australian domiciled bank. Redemption payments will not be made to third parties.

### Minimum investment balance

The Fund does not have a minimum investment balance amount.

### Terms and conditions for redemptions

Once your redemption request is received, your instruction may be acted on without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

The Responsible Entity and/or the Administrator reserve the right to ask for the production of original documents or other information to authenticate the communication. In the case of mis-receipt or corruption of any message, you will be required to re-send the documents. Please note that messages sent via email must contain a duly signed document as an attachment.

No redemption proceeds will be paid unless the Administrator has received the redemption request signed by the investor or an authorised signatory. Neither the Responsible Entity nor the Administrator shall be responsible for any mis-delivery or non-receipt of any facsimile or email. Facsimiles or emails sent to the Administrator shall only be effective when actually received by the Administrator.

When you are withdrawing, you should take note of the following:

- We are not responsible or liable if you do not receive, or are late in receiving, any redemption money that is paid according to your instructions.
- We may contact you to check your details before processing your redemption form. This may cause a delay in finalising payment of your redemption money. No interest is payable for any delay in finalising payment of your redemption money.
- If we cannot satisfactorily identify you as the withdrawing investor, we may refuse or reject your redemption request or payment of your redemption proceeds will be delayed. We are not responsible for any loss you consequently suffer.
- As an investor who is withdrawing, you agree that any payment made according to instructions received by post or courier, email or fax, shall be a complete satisfaction

of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.

- You agree that if the payment is made according to these terms, you and any person claiming through or under you, shall have no claim against us about the payment.
- Where a redemption is accepted, the Constitution allows the Responsible Entity to make payment up to 21 days after we accept a request and the redemption amount is determined.
- The Responsible Entity can deny a redemption request where the Fund is not liquid (as defined in the Corporations Act). When a fund is not liquid, an investor can only withdraw when the Responsible Entity makes a redemption offer to investors in accordance with the Corporations Act. The Responsible Entity is not obliged to make such offers.
- If the Responsible Entity believes it is in the best interests of investors, it may suspend redemptions and the payment of redemption proceeds during periods where the redemption or issue of shares in the Underlying Fund is restricted or suspended or the calculation of the NAV of the shares of the Underlying Fund has been suspended or is otherwise not available.

In the event that there is a material change to the investor's redemption rights, investors will be informed in writing.

### C. Distributions

An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of Units held by the investor at the end of the distribution period.

The Fund will distribute income monthly. This is aligned with the distribution frequency of the Underlying Fund.

Distributions are calculated by the Underlying Fund effective the last business day of each month and are normally paid to investors as

soon as practicable after the end of the month.

The distribution for the Fund is composed of income earned by the Fund, less expenses incurred by the Fund (such as management costs) plus net capital gains (if any). If there is no net income or net capital gains earned in a particular distribution period, the Fund may not pay a distribution in respect of that distribution period. In some circumstances, the Fund may distribute a payment out of capital in addition to, or instead of, a distribution of net income or net capital gains.

The distribution investors may receive will be based on the number of Units they hold in the Fund at the nominated record date. Distributions are not pro-rated according to the time that investors have held their Units.

Further, distributions from the Fund could differ to the taxable income of the Fund. Refer to section 3 on pages 13 - 22 of this PDS for further details on the risks of the Fund.

### **Reinvestment of distributions**

The Constitution permits the Responsible Entity to allow for distributions to be reinvested as additional Units in the Fund.

Investors must elect to participate in the distribution reinvestment plan. Unless an election is made to reinvest, distributions will be made monthly in Australian dollars to investors' nominated bank accounts (as applicable). Investors may provide bank details by submitting a form which is available from the Unit Registry.

An election by an investor to reinvest any distribution must be made by the election date announced by the Responsible Entity in respect of each relevant distribution.

The distribution reinvestment plan will be administered in Australian dollars and all residual amounts will be held in Australian dollars.

If you do not provide your Australian financial institution account details, your distributions will be reinvested in accordance with the distribution reinvestment plan discussed below.

The distribution reinvestment plan is offered on the following basis:

- at the time the price of the Units allotted pursuant to the distribution reinvestment plan is set, the Responsible Entity will not have any information that is not publicly available that would, or would be likely to,

have a material adverse effect on the realisable price of the Units if the information were publicly available;

- the right to acquire, or require the Responsible Entity to issue, Units will be offered to all Investors of the same class;
- every investor to whom the right is offered is given a reasonable opportunity to accept the offer; and
- units will be issued on the terms disclosed to you and will be subject to the same rights as Units issued to all Unitholder of the same class as you.

### **Changing your distribution preference**

Investors can elect to participate in the distribution reinvestment plan by submitting a form available from the Unit Registry by accessing the Administrator's website at <https://www.apexgroup.com/fund-solution/transfer-agency-services/registry-australia/registry-forms/> or emailing [registry@apexgroup.com](mailto:registry@apexgroup.com).

### **Cash distributions**

Distribution payments to investors will be made via direct credit into a nominated Australian financial institution account. The Responsible Entity will not be paying any distributions by cheque to any investors.

The Responsible Entity is adopting direct crediting of payments as this is a more secure and convenient way for you to receive your distribution payment. The benefits include distributions credited to your account on the payment date as cleared funds, removal of risk associated with loss, fraud and theft of cheques, and cost of savings for the Fund, which benefits all investors.

If you are an overseas unitholder (outside of Australia) you also can provide your EFT details if you have an Australian dollar bank account.

Please note the Responsible Entity may withhold amounts from the distribution payments to satisfy any taxation and other regulations.

If you do not provide your Australian financial institution account details your distribution payment will be set aside and retained on

your behalf in \$AUD. In Australia, this will be subject to the obligations in respect of unclaimed money.

To avoid your distribution payment being delayed, your instructions must be received before the nominated record date.

## D. Compulsory redemption

The Responsible Entity may redeem some or all of an investor's Units in accordance with the Constitution or as permitted by law.

As an example, this may occur where an investor breaches their obligations to the Responsible Entity (for example, where the Responsible Entity believes that the Units are held in breach of prohibitions contained within the Constitution) or where the Responsible Entity believes that the Units are held in circumstances which might result in a violation of an applicable law or regulation.

## E. Net Asset Value

The net asset value ('NAV') of the Fund will be calculated on a daily basis (T) on each Business Day ("NAV Calculation Date"). As the Fund invests substantially all of its assets in the Underlying Fund, the valuation of the Fund is predominantly determined by reference to the net asset value of the Underlying Fund, which is typically made available to the Fund two Business Days after the relevant valuation date of the Underlying Fund (T+2). Accordingly, the NAV of the Fund for any given day is typically published two Business Days after each NAV Calculation Date.

The NAV will be determined based on the information available as of the applicable NAV Calculation Date and, as such, may not reflect information subsequently received in connection with the preparation of any financial statements delivered to the Underlying Fund.

## F. Authorised Signatories

For joint accounts, unless indicated to the contrary on the Initial Application Form, each signatory must sign redemption requests. Please ensure all signatories sign the declaration in the Initial Application Form. Joint accounts will be held as joint tenants unless we are advised to the contrary in writing.

Investors may elect to appoint an authorised nominee to operate their account. The relevant

sections on the Initial Application Form need to be completed, including the name and signature of the authorised nominee, the signature of the investor and the date. Only investors can appoint authorised nominees. If you appoint an authorised nominee we suggest that you ensure that:

- they cannot appoint another nominee; and
- the appointment lasts until cancelled by you or the Responsible Entity in writing.

The Responsible Entity may cancel an appointment by giving the investor 14 days' notice in writing. If an appointment is cancelled the Responsible Entity will not be obliged to act on the instructions of the authorised nominee. If the instructions are varied, the Responsible Entity will act only in accordance with the varied instructions. By completing and lodging the relevant sections on authorised nominees on the Initial Application Form you release, discharge and agree to indemnify the Responsible Entity from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from the Responsible Entity acting on the instructions of your authorised nominee.

You also agree that any instructions of your authorised nominee to the Responsible Entity, which are followed by the Responsible Entity, shall be a complete satisfaction of the obligations of the Responsible Entity, notwithstanding any fact or circumstance, including that the instructions were made without your knowledge or authority. You agree that if the authorised nominee's instructions are followed by the Responsible Entity, you and any person claiming through or under you shall have no claim against the Responsible Entity in relation to the instructions.

An authorised nominee can, among other things:

- apply for additional investment units;
- request that distribution instructions be altered;
- withdraw all or part of your investment; and
- enquire as to the status of your investment and obtain copies of statements.

Redemption payments will not be made to third parties. If a company is appointed as an authorised nominee, the powers will

extend to any director and authorised owner of the company. If a partnership, the powers will extend to all partners.

## G. Electronic instructions

If an investor instructs the Responsible Entity by electronic means, such as facsimile, email or internet the investor releases the Responsible Entity from and indemnifies the Responsible Entity against, all losses and liabilities arising from any payment or action the Responsible Entity makes based on any instruction (even if not genuine) that the Responsible Entity receives by an electronic communication bearing the investor's investor code and which appears to indicate to the Responsible Entity that the communication has been provided by the investor e.g. a signature which is apparently the investor's and that of an authorised signatory for the investment or an email address which is apparently the investor's. The investor also agrees that neither they nor anyone claiming through them has any claim against the Responsible Entity or the Fund in relation to such payments or actions. There is a risk that a fraudulent redemption request can be made by someone who has access to an investor's investor code and a copy of their signature or email address. Please take care.



## 5. Fees and other costs

### A. Consumer Advisory Warning

#### DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.**

**For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30- year period (for example reduce it from \$100,000 to \$80,000).**

**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.**

**You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.**

#### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

### B. Fees and costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your account, from the returns on your investment or from the Fund assets as a whole.

Information on how managed investment schemes are taxed is set out in section 7 of this PDS.

You should read all of the information about fees and costs because it is important to understand their impact on your investment.

#### Fees and costs summary<sup>1</sup> - Federated Hermes Global Trade Finance Fund

Type of fee or cost <sup>1</sup>	Amount	How and When Paid
<b>Ongoing annual fees and costs<sup>2, 3</sup></b>		
<b>Management fees and costs<sup>1</sup></b> The fees and costs for managing your investment	Estimated to be <b>0.90%</b> per annum of the NAV of the Fund.  This includes:  <b>Management fees</b> of 0.00% per annum of the NAV of the Fund.  <b>Plus</b>  <b>Indirect costs</b> of 0.40% per annum of the NAV of the Fund.  <b>Plus</b>	Management fees and costs are deducted from the assets of the Fund and will be reflected in the NAV referable to the Units.  <b>Management fees</b> The Investment Manager does not charge and deduct a fee in relation to the management of the Fund.  <b>Indirect costs</b> The indirect costs of the Fund consists of only the management fee of the Underlying Fund and is accrued daily and payable monthly in arrears out of the assets of the Underlying Fund.  The indirect costs are reflected in the NAV of the Underlying Fund and therefore, are reflected in the value of the Fund's investment in the Underlying Fund.

	<b>Fund expenses</b> of an estimated 0.50% per annum of the NAV of the Fund.	<b>Fund expenses</b> The Fund may recover out of the assets of the Fund the costs of the operation and administration of the Fund and also any unusual or extraordinary Fund expenses. These costs and expenses are paid as and when they are incurred by the Investment Manager or Responsible Entity.
<b>Performance fees</b> Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable
<b>Transaction costs</b> The costs incurred by the scheme when buying or selling assets	Estimated to be 0.08% per annum of the NAV of the Fund.	Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread (if any) described below.  Any transaction costs at the Underlying Fund level are reflected in the value of the Fund's investment in the Underlying Fund, and therefore reflected in the unit price.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the Fund)</b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred on transactions by the scheme	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Switching fee</b> The fee for changing investment options	Nil	Not applicable

1. Management fees and costs are comprised of a management fee, indirect costs and Fund expenses. Unless otherwise stated, all fees and costs are inclusive of GST and the net effect of any applicable reduced input tax credits ('RITC') and are shown without any other adjustment in relation to any tax deduction available to the Responsible Entity. For further information refer to "Management fees and costs" in the section "Additional explanation of fees and costs" below.

2. All estimates of fees and costs in this section are based on information available as at the date of this PDS. All fees reflect the Responsible Entity's reasonable estimates of the fees as at the date of this PDS. As the Fund is newly established, the amount reflects the Responsible Entity's reasonable estimate of the fees as at the date of the PDS for the current financial year (adjusted to reflect a 12-month period). As such, the actual fees and costs may differ and are subject to change from time to time. At least 30 days prior notice will be given to Unitholders before any fee increase. For further information refer to the section "Additional explanation of fees and costs" below.

3. Fees and costs may be negotiated with wholesale clients. See 'Differential fees' in 'Additional explanation of fees and costs' below for further information.

**Warning:** Additional fees and costs may be paid to a financial adviser if a financial adviser is consulted. The details of these fees and costs should be set out in the statement of advice by your adviser.

## Example of annual fees and costs

This table gives an example of how the ongoing annual fees and costs in the Fund can affect your investment over a one year period. You should use this table to compare this product with other products offered by managed investment schemes.

<b>Example – Federated Hermes Global Trade Finance Fund</b>		<b>Balance of \$200,000 with a contribution of \$5,000 during the year</b>
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0</b>
<b>PLUS</b> Management fees and costs <sup>3</sup>	0.90% p.a.	<b>And</b> for every \$200,000 you have in the Fund you will be charged: <b>\$1,800</b>
<b>PLUS</b> Performance fees	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year
<b>PLUS</b> Transaction costs	0.08% p.a.	<b>And</b> , you will be charged or have deducted from your investment <b>\$160</b> in transaction costs
<b>EQUALS</b> Cost of Federated Hermes Global Trade Finance Fund		<p>If you had an investment of \$200,000 at the beginning of the year and you put in an additional \$5,000 during the year, you will be charged a fee of:</p> <p style="text-align: right;"><b>\$1,960<sup>1, 2, 3, 4</sup></b></p> <p><b>What it costs you will depend on the fees you negotiate.</b></p>

1. You may incur additional fees such as additional fees charged by your financial adviser or service operator (as applicable) for investing in the Fund. Please refer to the 'Additional explanation of fees and costs' section below for further details.
2. The example assumes management costs are calculated on a balance of \$200,000 with the \$5,000 contribution occurring at the end of the year. Therefore, management costs are calculated using the \$200,000 balance only. Please note that this is just an example for illustrative purposes only. In practice, the amount payable depends on the circumstances of each investor and will vary.
3. The example includes an indirect cost estimate of 0.40% p.a., which is calculated as the actual cost of obtaining investment exposures through interposed vehicles and is calculated as an estimate based on the expected costs of the Underlying Fund. This fee is not directly deducted from your account.
4. Please refer to footnote 1, 2 and 3 of the fees and costs summary table above.



## C. Additional explanation of fees and costs

### Management fees and costs

The management fees and costs (fees and costs incurred by you investing in the Fund) incorporate all relevant ongoing fees and costs involved in managing the Fund and deriving investment returns. The management fees and costs comprise of a management fee, Fund expenses and indirect costs that are deducted from the returns of the Fund. The management fees and costs do not include transaction costs i.e. costs associated with investing in underlying assets.

### Management fee

The Investment Manager does not charge a fee for providing the services under the Investment Management Agreement.

### Fund expenses

#### *Normal operating expenses*

Under the Constitution, we are entitled to be reimbursed from the Fund in respect of expenses reasonably and properly incurred in the administration, management and operation of the Fund, and other incidental expenses. These include a range of costs and expenses which include, but are not limited to, costs associated with, preparation of marketing material and disclosure documents, the services provided by the Responsible Entity, transfer agency services, custody and administration of the Fund and the provision of audit, legal and tax services.

To the extent any of these expenses are incurred by the Investment Manager, the Investment Manager is entitled to be reimbursed for these expenses from the Fund.

As the Fund is newly established, the estimated Fund expenses set out in the fees and costs summary is 0.50% p.a. of the NAV of the Fund.

#### *Extraordinary expenses*

Unusual or extraordinary Fund expenses such as the costs of calling and holding Unitholder meetings are not generally incurred during the day-to-day operation of the Fund, and may not be incurred in any given year.

These costs form part of the 0.50% Fund expenses set out in this section 5 of the PDS and includes the Fund formation costs, which

will be amortised over a five year period from the launch date of the Fund.

Unusual or extraordinary expenses may vary from year to year including to the extent that they rely on estimates. This amount is not an indication or guarantee of the amount that may be charged in the future.

We are entitled to be indemnified out of the Fund for all expenses, losses and liabilities reasonably and properly incurred. This entitlement does not exist in relation to an expense, loss or liability attributable to a failure to properly perform the duties of a responsible entity.

All taxes will be deducted from the Fund's assets as appropriate. Information on Tax is set out in section 7 on pages 36 – 39 of this PDS.

### Performance fee

The Fund and the Underlying Fund does not charge a performance fee.

### Indirect Costs

Indirect costs are any cost we know, or reasonably ought to know or, where this is not the case, may reasonably estimate has reduced or will reduce (as applicable), whether directly or indirectly, the return on the Fund, or the amount or value of the income of, or property attributable to the Fund, or an interposed vehicle other than the management fee and Fund expenses. Broadly, an interposed vehicle is a body, trust, or partnership through which the Fund invests and includes the Underlying Fund.

The amount of indirect costs includes fees paid to the manager of the Underlying Fund by the Fund for an investment into the Underlying Fund.

Indirect costs are included in the management fees and costs of the Fund and will be borne indirectly by the Fund and its investors.

Indirect costs are estimated to be 0.40% per annum of the NAV, comprising:

- a management fee charged by the Underlying Fund of 0.40% per annum of the NAV of the Underlying Fund; and
- recoverable expenses estimated to be

0.00% per annum of the NAV of the Underlying Fund.

Indirect costs are reflected in the Unit price of the Fund as and when incurred. Indirect costs are not an additional fee paid to us. Indirect costs may vary from year to year, including to the extent that they rely on estimates. The amount described is not an indication or guarantee of the amount that may be charged in the future.

### **Incidental fees and costs**

Standard government fees, duties and bank charges may also apply to your investments and redemptions including dishonour fees and conversion costs.

### **Transaction costs**

Transaction costs such as brokerage and transactional taxes may be incurred by the Fund when the Fund acquires and disposes of its underlying investments. Transaction costs also include costs incurred by an interposed vehicle that would be transaction costs if they had been incurred by the Fund.

The Responsible Entity, as at the date of this PDS, anticipates that the transaction costs of the Fund for the current financial year (adjusted to reflect a 12-month period) will be 0.08% per annum. The Fund generally does not incur transaction costs itself, and as such the estimated transaction costs reflect the transaction costs incurred in the Fund's interposed vehicles, being the Underlying Fund.

Transaction costs are not included in the management fees and costs. Instead, they are recovered from the assets of the Fund or interposed vehicles in which the Fund invests, as and when they are incurred and therefore are an additional cost to you. Transaction costs are paid out of the assets of the Fund and are not paid to the Investment Manager or the Responsible Entity.

Please note, the Fund's estimated transaction costs may not provide an accurate indicator of the actual transaction costs that you may incur in the future.

### **Buy/sell spread**

Transaction costs that are incurred because investors buy or sell Units are also paid from the Fund's assets, but may be offset by transaction cost allowances that are included in the

calculation of the Fund's application and/or redemption Unit prices, which are commonly known as "buy/sell spreads".

Transaction costs are estimated and allocated accordingly when an investor buys or sells Units by incorporating a buy/sell spread between the Fund's application or redemption Unit prices, where appropriate. This aims to ensure that other investors are not impacted by the Transaction costs associated with a particular investor buying or selling Units. We have the discretion to waive the buy/sell spread on applications or redemptions.

The buy/sell spread is based on our estimates of the average Transaction costs incurred by the Fund. It is not a fee paid to us or the Investment Manager and is retained in the Fund to cover the actual Transaction costs as they are incurred.

The buy/sell spread is an additional cost to you and will impact the return on your investment.

As at the date of this PDS, the buy/sell spread is 0.00% p.a. The Responsible Entity may vary the buy/sell spreads from time to time including increasing these without notice when it is necessary to protect the interests of existing investors and if permitted by law. The updated information will be provided to Unitholders electronically.

### **Contribution and redemption fees**

No contribution fees or redemption fees are payable by investors who buy and sell Units in the Fund.

### **Differential fee arrangements**

The Investment Manager may enter into arrangements for the charging or waiving of fees, including management fees, with wholesale clients (as defined in the Corporations Act) on a case-by-case basis.

The Investment Manager will take into account relevant factors which may include the size of the investment. Such arrangements will be by individual negotiation. Please contact the Investment Manager for further information.

### **Fees for Indirect Investors**

Indirect investors must also refer to the fees

and costs payable for the IDPS, master trust or wrap account they are investing through. The IDPS operator will be the registered holder of the units and may charge you fees that are different or in addition to the Fund's fees detailed in this section and the PDS. You should refer to the offer document for the relevant IDPS, master trust or wrap account for more information.

### Financial advisers

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out.

### Changing the fees and maximum fees

All fees in this PDS can change without the consent of Unitholders and the Responsible Entity reserves the right to change its fee structure generally in the future in response to the commercial environment.

Any change to fees will be notified by publication of a new PDS or supplementary PDS (as required by law) and by giving the Unitholders 30 days' notice before the change to fees takes effect.

The Constitution sets the maximum amount the Responsible Entity can charge for all fees. If the Responsible Entity wishes to raise fees above the amounts allowed for in the Constitution, the Responsible Entity would need to amend the Constitution in accordance with the Corporations Act and the relevant provisions in the Constitution.

The Responsible Entity may in its absolute and unfettered discretion waive, reduce, refund or defer any part of the fees and expenses that the Responsible Entity is entitled to receive under the Constitution

### Other costs

Under the Constitution, the Responsible Entity may receive remuneration out of the assets of the Fund for time spent by it providing additional fund administration services.

This remuneration is calculated on the basis of a maximum hourly rate of \$1,000 (Australian dollars) per hour, adjusted quarterly to reflect any increase in the 'All groups CPI weighted average of eight capital cities' published by the Australian Bureau of Statistics, in respect of each quarter. The Responsible Entity is entitled to charge and take that remuneration out of the assets of the Fund calendar monthly in arrears.

### For more information on fees and costs

If you would like to better understand how our fee structure may impact your investment in the Fund, we recommend that you speak to your financial adviser or visit ASIC's website at [www.moneysmart.gov.au](http://www.moneysmart.gov.au) where a fee calculator is available to help you compare the fees of different managed investment products.

## 6. Information about your investment

### A. The Investment Manager's website

General and updated information about the Fund is available from the Investment Manager's website [Trade Finance | Federated Hermes Limited](#). This includes the Fund's monthly updates (detailing Fund size, exposures and top holdings), quarterly investment reports, the current PDS (including any supplementary material) and the Fund's annual financial reports.

The Responsible Entity intends to follow ASIC's good practice guide for continuous disclosure and in so doing will post copies of continuous disclosure notices on its website. Investors are encouraged to check the website regularly for such information.

The site also has a comprehensive section relating to topical updates and relevant articles from the investment team.

### B. Reporting

Where the Fund has 100 investors or more, the Fund will be considered a "disclosing entity" for the purposes of the Corporations Act. If the Fund becomes a disclosing entity, it will be subject to regular reporting and continuous disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. Investors can also call the Responsible Entity to obtain copies of the following documents, free of charge:

- the Fund's annual financial report most recently lodged with ASIC;
- any half year financial report lodged with ASIC; and
- any continuous disclosure notices the

Responsible Entity places online at [Trade Finance | Federated Hermes Limited](#) or lodged with ASIC.

### C. Updated information

While the terms and features of the Fund relating to this PDS are current at the issue date of this PDS, they may change in the future. We reserve the right to change the terms and features of the Fund in accordance with the Constitution of the Fund and the Corporations Act. Updated information which is not materially adverse is accessible from the Investment Manager's website or the Responsible Entity. A paper copy of the updated information will be available free of charge upon request.

### D. Administrator

Information about your investment in the Fund such as statements, confirmations or other information specific to your investment please contact the Administrator Apex Fund Services Ltd on telephone 1300 133 451 or email [registry@apexgroup.com](mailto:registry@apexgroup.com).

## 7. Taxation

The following information summarises some of the taxation and stamp duty issues you should consider before making an investment.

It does not attempt to address all of the Australian tax and stamp duty implications that may be relevant to the Unit Holders. Different tax and stamp duty implications may apply for different Unit Holders depending on their particular circumstances.

The information is intended for use by Unit Holders who hold Units in the Fund on capital account and who are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale. It should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ. The taxation of a unit trust investment such as Units in the Fund can be complex and may change over time. The comments below are current as at the date of preparation of this PDS. Unit Holders should be aware that the ultimate interpretation of taxation and stamp duty law rests with the Courts and that the law, and the way that the Federal Commissioner of Taxation or a Commissioner of State Revenue administers the law, may change at any time.

Please consult your tax adviser about the specific implications relevant to your situation before making any investment decision.

This summary only deals with the Australian tax and stamp duty considerations of potential Unit Holders and does not deal with tax consequences in relation to other jurisdictions

### A. Tax position of the Fund

The Fund should generally be treated as a "flow through" entity for Australian income tax purposes.

Where a unit trust is treated as a "flow through" entity for Australian income tax purposes, the unit trust should not be required to pay tax on its taxable income. Rather, each Unit Holder should be taxable on its share of the taxable income of the unit trust in proportion to its distributions from the fund each year, subject to adjustment where a significant redemption takes place partway through the income year.

It is intended that the Responsible Entity will limit its activities to undertaking or controlling entities that undertake 'eligible investment businesses' as described in section 102M of the Australian Income Tax Assessment Act 1936, as amended. On this basis, the Fund should not be a 'trading trust', and so should remain a 'flow through' entity rather than be taxed as a company.

The Fund is expected to be eligible to qualify as an Attribution Managed Investment Trust (AMIT), subject to being sufficiently widely held and not closely held. The Responsible Entity may make the election for the Fund to operate as an AMIT where the eligibility criteria are satisfied and it is considered in the best interests of the Fund and Unit Holders to make this election.

The AMIT rules contain several provisions that can impact on the taxation treatment of the Fund. The key features of the AMIT regime include:

- an attribution model for determining member tax liabilities, which also allows amounts to retain their tax character as they flow through a MIT to its unitholders;
- the ability to carry forward understatements and overstatements of



taxable income, instead of re-issuing Unit Holder statements;

- deemed fixed trust treatment under the income tax law;
- upwards cost base adjustments to units to address double taxation; and
- legislative certainty about the treatment of tax deferred distributions.

### **Deemed Capital Gains Tax ('CGT') election**

Eligible managed investment trusts ('MITs') may make an irrevocable election to apply a deemed capital account treatment to gains and losses on the disposal of eligible investments (including equities and units in other trusts, but generally not derivatives and foreign exchange contracts). The election must be made in respect of the first year a trust qualifies as a MIT, otherwise if a trust qualifies as a MIT and no election is made, deemed revenue account treatment applies. If the Fund makes the election for deemed capital account treatment, where the eligible investments of the Fund have been realised, gains and losses made by the Fund from the disposal or redemption of its investments should generally be deemed to be capital gains (provided they are not deemed to be dividends) or losses.

In this case, a 50% CGT discount should be available in relation to capital gains on assets held for more than 12 months. Capital losses can only be offset against capital gains. Where the Fund makes a capital gain that is eligible for the CGT discount, capital losses must be offset against the gain before the 50% discount is applied.

The Commissioner of Taxation has the ability to recharacterise the gains on redemption of shares in the Underlying Fund by the Fund as dividends where the redemption proceeds are not sourced from the Underlying Fund's share capital account. While the Fund does not expect such a determination to be made, if the Commissioner makes such a determination, the gains on redemption of shares in the Underlying Fund will be treated as dividends rather than capital gains. In this case, the CGT discount will not be available to Unit Holders in respect of such gains made by the Fund.

#### *Tax status of the Underlying Fund*

The Underlying Fund is a sub-fund of an umbrella fund established as an Irish collective

asset-management vehicle pursuant to the Irish Collective Asset-management Vehicles Act 2015.

For Australian tax purposes, it is expected that the Underlying Fund should be regarded as part of the ICAV which in turn should be regarded as a company for Australian income tax purposes.

The ICAV should not be an Australian resident for income tax purposes if and only if:

- The ICAV is not formed in Australia; and
- It does not carry on business in, or have its central management and control in, Australia.

The ICAV is expected to be a non-resident for Australian income tax purposes as it will be established and registered under the relevant laws of Ireland, it will not carry on any business in Australia and will not have its central management and control in Australia. The ICAV is also not expected to have a taxable presence in Australia by carrying on a business in Australia.

The level of investment into ICAV by the Fund may result in the ICAV being classified as a controlled foreign company (CFC) for Australian income tax purposes. Where the ICAV is a CFC the attributable income of the entity will be assessable to the Fund on an accruals basis which could impact the timing of income or gains for Unit Holders.

### **Tax reform**

Reforms to the taxation of trusts are generally ongoing. The Responsible Entity will continue to monitor the progress of such developments and the impact on the Fund. However, given these developments may impact on the tax positions of the Fund and its Unit Holders, it is strongly recommended that Unit Holders seek their own professional advice in relation to the potential impact of any reforms on their tax position.

#### *Income of the Fund*

It is expected that the income of the Fund may include interest income, dividend income and gains from the sale or redemption of shares in the Underlying Fund. Each component is generally expected to retain its characterisation for

tax purposes when distributed to the Unit Holders.

The tax implications for Unit Holders will be dependent on the components of the distributions (refer to details below). An annual tax statement will be provided by the Trustee which will identify the components of each Unit Holder's distributions.

The cash distributed to Unit Holders may not be equal to their proportionate share of the Funds taxable income. Where the cash distribution is less than the Unit Holders' share of taxable income, the Unit Holders will be taxed on their share of taxable income despite receiving a smaller cash distribution. Such shortfall should increase the cost base of the units held in the Fund for the purposes of determining any capital gains or losses on subsequent disposal or redemption of the Units.

Where the cash distribution received exceeds the Unit Holders' share of taxable income, the excess amount should be non-assessable in the hands of the Unit Holders. Such amounts instead should reduce the cost base of the units held in the Trust for the purposes of determining any capital gains or losses on subsequent disposal or redemption of the Units.

In the case where the Fund makes a loss for Australian tax purposes, the Fund cannot distribute the loss to Unit Holders but may be able to recoup such losses against assessable income of the Fund in subsequent income years.

Similarly, net capital losses incurred by the Fund cannot be distributed to Unit Holders but may be carried forward and offset against future gross capital gains derived by the Trust.

## **B. Tax position of Australian resident Unit Holders**

### **General**

Australian resident Unit Holders should include in their assessable income their share of the Fund's taxable income. This share will be reported to Unit Holders in an annual distribution statement which will be provided to Unit Holders after the end of each income year.

### **Distributions**

Distributions (or attributed amounts) from the

Fund may include various components, the taxation treatment of which may differ. These components will be notified to members in the annual distribution statement provided to members after the end of each income year.

### **Redemptions and disposal of units**

If you withdraw or transfer Units in the Fund, this may constitute a disposal for tax purposes.

Unit Holders should include any realised capital gain or loss on disposal of their Units in the Fund in the calculation of their net capital gain or loss. A net capital gain will be included in assessable income. A net capital loss may only be offset against capital gains. If Unit Holders do not have any capital gains, the capital loss may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

A gain made on the redemption of eligible investments in the Underlying Fund by the Fund in order to satisfy a significant redemption request may be specifically attributed to that withdrawing member rather than spread among all members of the Fund.

In calculating the taxable amount of a capital gain, a discount of one half for individuals and trusts or one third for complying superannuation entities may be allowed where Units in the Fund have been held for 12 months or more.

Where Units are held as part of a business of investing or for the purpose of profit making by sale, gains realised may constitute ordinary income and losses realised may constitute allowable deductions.

### **Controlled Foreign Company ("CFC") Provisions**

The net income of the Fund may also include an amount calculated under the controlled foreign company (CFC) rules in Part X of the Income Tax Assessment Act 1936. The CFC rules require the Fund to include in its taxable income for an income year, certain income and gains of the ICAV on an accruals basis, even if such amounts are not distributed to the Fund in that year.

This income and gains may include income and gains from other sub-funds of the ICAV, other than the Underlying Fund. Where the Fund is an ordinary unit trust and an amount is included in the assessable income of a Unit Holder on an accruals basis due to the operation of the CFC provisions, a subsequent distribution from the ICAV sourced from that income may be treated as non-assessable. Where the ICAV is a CFC of the Fund, the trustee will need to consider the tax outcomes for Unit Holders prior to making an AMIT election for the Fund. The Fund will need to maintain an attribution account to substantiate any previous CFC attribution.

#### *Tax position of non-resident Unit Holders*

Australian withholding tax may be withheld from distributions (or amounts attributed) of Australian sourced income (e.g. bank interest from Australian bank accounts of the Fund), noting any dividends from the ICAV or CFC attribution should not be considered Australian sourced income.

Non-resident Unit Holders may also be subject to tax on distributions in their country of residence (for tax purposes) and may be entitled to foreign tax credits under the tax laws of the relevant country.

It is expected that non-residents should generally not be subject to Australian income tax on any capital gains made on the disposal of Units in the Fund.

Broadly, a non-resident Unit Holder in the Fund will be subject to income tax on any capital gains made on the disposal or redemption of Units if they, together with any associates, hold or had an option or right to hold 10% or more of the Units in the Fund at the time of disposal/redemption or throughout a period of 12 months during the two years prior to disposal/redemption, and the majority of the Fund's assets comprise taxable Australian real property. In this regard, it is not expected that the Fund will hold taxable Australian real property.

A non-resident may also be subject to income tax on any capital gains made where the Units in the Fund have been held as part of the carrying on of a business through a permanent establishment in Australia.

Separately, if the non-resident holds their Units as part of a business of investing or for the purpose of profit making by sale, gains may be subject to Australian tax as ordinary income,

subject to any treaty relief.

We recommend that non-resident Unit Holders consult their tax adviser regarding their tax implications, including the tax implications in the country in which they are resident for tax purposes.

#### *Tax File Number (TFN) and Australian Business Number (ABN) withholding*

It is not compulsory for a Unit Holder to quote their TFN or ABN to the Responsible Entity when acquiring units. If an Unit Holder is making this investment in the course of a business or enterprise, the Unit Holder may quote an ABN instead of a TFN. Failure by a Unit Holder to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate, which is currently 47% on distributions of income to the Unit Holder. The Unit Holder may be able to claim a credit in their tax return for any such tax withheld.

### **C. Goods and Services Tax**

GST should not be payable on your investment(s) in the Fund. GST will apply to the fees and costs charged to the Fund. However, in respect of some of these fees, the Fund will usually be entitled to reduced input tax credits. The costs and fees payable in relation to your investment(s) in any of the Fund as stated in this PDS are inclusive of GST. GST will not be applicable to the buy sell spread payable (if applicable) in relation to the Fund.

### **D. Stamp Duty**

Stamp duty should not be payable on your investment(s) in the Fund.

## **8. Additional information**

### **A. The Responsible Entity**

#### **Our role as Responsible Entity**

The Trust Company (RE Services) Limited is the Responsible Entity of the Fund.

The Trust Company (RE Services) Limited is responsible for the proper and efficient administration, management and valuation of the Fund, including all investment decisions.

The Trust Company (RE Services) Limited is required to comply with the provisions of the

Constitution, the Corporations Act, and any additional obligations created by this PDS. Subject to these obligations, the Responsible Entity has an absolute discretion as to the exercise of its powers under the Constitution.

### **The Constitution**

The Fund is governed by a Constitution. The Constitution, together with this PDS, the Corporations Act, and ASIC Policy regulate the Fund and our legal relationship with Investors.

The Constitution may be unilaterally amended by the Responsible Entity, provided the amendment is not materially adverse to the rights of Investors. Otherwise, the Responsible Entity must obtain the approval of Investors by special resolution (which requires at least 75% of the votes cast by Investors being in favour of the resolution and entitled to vote on the resolution).

You may inspect the Constitution at our office on any Business Day, free of charge.

By investing in the Fund, you agree to be bound by the terms of this PDS and the Constitution (as amended from time to time). You should consider the terms of the Constitution before investing in the Fund.

### **Authorisation of issue**

This PDS has been authorised for issue by the directors of The Trust Company (RE Services) Limited.

### **Unit Pricing Discretions Policy**

The Responsible Entity's Unit Pricing Discretions Policy provides further information about how it calculates the NAV per Unit for the Fund. The policy complies with ASIC requirements. The Responsible Entity will observe this policy in relation to the calculation of the NAV per Unit for the Fund and will record any exercise of discretion outside the scope of the policy. Investors can request a copy of the policy free of charge by calling the Responsible Entity.

## **B. Your rights**

### **Cooling off period**

As the Fund only accepts wholesale investors and investors accessing the Fund through an IDPS, no cooling off period will apply in relation to any application for an investment in the Fund and once an application has been made, the investor will have no right with withdraw that

application or any monies paid or payable to the Fund.

### **Investor liability**

We have included provisions in the Constitution designed to protect Investors. The Constitution provides that Investors will not, by reason of being an Investor alone, be personally liable with respect to any obligation or liability incurred by the Responsible Entity. However, an absolute assurance about these things cannot be given and the issue has not been finally determined by Australian courts.

### **Limitation of liability and indemnity**

The Responsible Entity will, subject to the Corporations Act, not incur any liability, be liable to account to anyone or be liable for loss or damage in relation to the performance of its duties in relation to determinations of fact or law or decisions in respect of tax.

The Responsible Entity is entitled to be indemnified from the assets of the Fund for all expenses which it may incur or become liable for in connection with the proper performance of its duties as Responsible Entity of the Fund including, its administration or management and the maintenance or management of the authorised investments of the Fund. The Responsible Entity has a right to be indemnified out of the Fund's assets in respect of its acts or omissions.

The Responsible Entity may not rely on this indemnity to the extent it has acted fraudulently, with gross negligence, wilful misconduct or in breach of trust involving a failure to show the degree of care and diligence required of the Responsible Entity, having regard to the powers, authorities and discretions conferred on it by the Constitution.

The Responsible Entity is also entitled to be indemnified in respect of tax paid or payable on behalf of an Investor. If the amount payable to an Investor is not adequate to meet the tax liability, the Responsible Entity may withdraw Units held by the Investor

### **ENQUIRIES AND COMPLAINTS**

If you have any enquiries regarding the Fund, please contact the Investment



Manager at [AUSales@federatedhermes.com](mailto:AUSales@federatedhermes.com) for more information

The Responsible Entity has established procedures for dealing with complaints. If an investor has a complaint, the investor can contact the Responsible Entity or the Investment Manager (at [Compliance@federatedhermes.com](mailto:Compliance@federatedhermes.com)) during business hours.

The Responsible Entity will endeavour to resolve your complaint fairly and as quickly as we can. We will respond to your complaint within the maximum response timeframe of 30 days. If we are unable to respond within the maximum response time because we have not had a reasonable opportunity to do so, we will write to you to let you know of the delay.

All investors (regardless of whether you hold Units in the Fund directly or hold Units indirectly via an IPDS or similar) can access the Responsible Entity's complaints procedures outlined above. If investing via an IDPS and your complaint concerns the operation of the IDPS then you should contact the IDPS provider directly.

If an investor is not satisfied with the final complaint outcome proposed, any aspect of the complaints handling process or a delay in responding by the maximum response time, the Australian Financial Complaints Authority (AFCA) may be able to assist if you are an eligible investor. AFCA operates the external complaints resolution scheme of which the Responsible Entity is a member. If you seek assistance from AFCA, their services are provided at no cost to you.

You can contact AFCA on 1800 931 678, or by writing to:

Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Website: [www.afca.org.au](http://www.afca.org.au)

### **Related Party transactions & Conflicts of interest**

Perpetual Group, including the Responsible Entity, may act in various capacities (such as responsible entity, trustee and custodian) for other funds or accounts and we may face

conflicts between our duties as responsible entity, our duties to other funds we manage and our own interests. Perpetual Group and the Investment Manager have policies and procedures in place to manage any conflicts of interest, which ensure that any actual or potential conflicts of interest are identified and appropriately dealt with. All agreements with related party service providers have been entered into on terms that are similar to those the Responsible Entity would have negotiated with an unrelated party and the Responsible Entity must still ensure that the appointment of the related party is in the best interests of the members of the Fund.

### **Additional information**

On request and free of charge, the Responsible Entity will provide additional information including the most recent annual report of the Fund, the most recent financial statements of the Fund, the auditor's report on the annual financial statements, the Fund's PDS and the Constitution (including any amendments).

Additionally, this information can be obtained electronically from [Trade Finance | Federated Hermes Limited](http://Trade Finance | Federated Hermes Limited).

Investors have the right to elect whether to receive notices of meetings, other meeting-related documents, annual financial reports and other Fund related information (each a Communication) in electronic or physical form and the right to elect not to receive annual financial reports at all. You also have the right to elect to receive a single specified Communication on an ad hoc basis, in an electronic or physical form. Where we have your email address, we will send these communications electronically. If you wish to receive physical copies, please notify the Responsible Entity or the Investment Manager of this election.

## **C. Investing in the Fund**

### **Past performance**

Performance history and fund size information in respect of the Fund can be obtained by visiting the Investment Manager's website at [Trade Finance | Federated](http://Trade Finance | Federated)

[Hermes Limited](#). Past performance is no indication of future performance. Returns are not guaranteed.

### **US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act (FATCA)**

The United States of America has introduced rules (known as FATCA) which are intended to prevent US persons from avoiding tax. Broadly, the rules may require the Fund to report certain information to the Australian Taxation Office (ATO), which may then pass the information on to the US Internal Revenue Service (IRS). If you do not provide this information, we will not be able to process your application.

To comply with these obligations, Perpetual will collect certain information about you and undertake certain due diligence procedures to verify your FATCA status and provide information to the ATO in relation to your financial information required by the ATO (if any) in respect of any investment in the Fund.

### **Common Reporting Standard**

The Australian government has implemented the OECD Common Reporting Standards Automatic Exchange of Financial Account Information (CRS) from 1 July 2017. CRS, like the FATCA regime, will require banks and other financial institutions to collect and report to the ATO.

CRS will require certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. The Fund is expected to be a 'Financial Institution' under the CRS and intends to comply with its CRS obligations by obtaining and reporting information on relevant accounts (which may include your units in the Fund) to the ATO. For the Fund to comply with their obligations, we will request that you provide certain information and certifications to us. We will determine whether the Fund is required to report your details to the ATO based on our assessment of the relevant information received. The ATO may provide this information to other jurisdictions that have signed the "CRS Competent Authority Agreement", the multilateral framework agreement that provides the mechanism to facilitate the automatic exchange of information in accordance with the CRS. The Australian Government has enacted legislation amending, among other things, the Taxation Administration

Act 1953 of Australia to give effect to the CRS.

### **Interest on application monies**

Any application monies received by the Fund will not bear interest.

### **Mortgagee interests/margin lending**

The Responsible Entity will not recognise any security interest (notice of mortgage, etc.) over any Units of the Fund.

If you invest in the Fund through a margin lender, you are directing the margin lender to arrange for your monies to be invested in the Fund on your behalf. Accordingly, you do not acquire the rights of an Investor in the Fund. The margin lender is the Investor and acquires these rights and can exercise, or decline to exercise them, on your behalf according to your contract with the margin lender. As an investor in a margin lending product, you must read this PDS in that context.

When you invest through a margin lender and wish to make additional investments, realise your investment, or transfer your investment to another person, you will have to direct the margin lender to do so on your behalf. All correspondence and dealings in your investment will be through your margin lender.

The Responsible Entity accepts no responsibility for any aspect of the margin lender or (without limitation) for any failure on the part of the margin lender in respect of its administration, payment of income or other distributions, payment of redemption proceeds, fees charged or the efficiency or viability of the margin lending product.

### **Indirect investors**

All retail investors must be advised and are only able to access the Fund through an IDPS (commonly, a master trust or wrap account). Direct applications from retail investors will not be accepted. You are directing the operator of the IDPS to arrange for your monies to be invested in the Fund on your behalf. Accordingly, you do not acquire the rights of an Investor in the Fund. The operator (or its custodian/nominee) is the Investor and acquires these rights and can exercise, or decline to exercise them, on your behalf according to the arrangements governing

the IDPS. As an investor in the IDPS, you must read this PDS in that context.

When you invest through an IDPS and wish to make additional investments, realise your investment, or transfer your investment to another person, you will have to direct the operator of the IDPS to do so on your behalf. The Responsible Entity accepts no responsibility for any aspect of the IDPS or IDPS like scheme or (without limitation) for any failure on the part of the IDPS or IDPS like scheme in respect of its administration, payment of income or other distributions, payment of redemption proceeds, fees charged or the efficiency or viability of the IDPS or IDPS like scheme.

Specifically, the Responsible Entity's agreement to permit the naming of the Fund in a PDS issued by an IDPS operator or IDPS like scheme, or list of investments that may be accessed via the IDPS or IDPS like scheme, does not signify an endorsement by the Responsible Entity, or our support for, the IDPS or IDPS like scheme.

## D. Appointments and agents

### Custodian

Perpetual Corporate Trust Limited has been appointed to hold the assets of the Fund under a Custody Agreement. Perpetual Corporate Trust Limited was not involved in the establishment of the PDS and is not accountable for the performance of the Fund. As custodian, Perpetual Corporate Trust Limited will safe-keep the assets of the Fund, collect the income of the Fund's assets and act on the Responsible Entity's directions to settle the Fund's trades. Perpetual Corporate Trust Limited does not make investment decisions in respect of the Fund's assets that it holds.

The Custodian has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to an investor.

To the maximum extent permitted by law, the Custodian expressly disclaims and takes no responsibility for any part of this PDS other than the references to its name. The Custodian does not guarantee the repayment of capital or any particular rate of capital or income return.

The Custodian has not withdrawn its consent to be named in this PDS as custodian of the Fund in the form and context in which it is named.

### Administrator

Apex Fund Services Ltd has been appointed as the Administrator to provide certain administrative services to the Fund. Apex Fund Services Ltd has been appointed to value the assets of the Fund and to calculate the NAV per Unit for the Fund daily under an Administration Agreement.

### Delegation

The Administrator may delegate its duties to the Sub-Administrator, Apex Fund Services (Australia) Pty Ltd, and the Sub-Administrator is located at Level 13, 459 Little Collins Street, Melbourne VIC 3000.

### Unit Registry

Apex Fund Services Ltd has been appointed as the Unit Registry of the Fund under an Administration Agreement. The Administration Agreement sets out the services provided by the Unit Registry on an ongoing basis together with the service standards.

The role of the Unit Registry is to keep a record of Investors in the Fund. This includes information such as the quantity of Units held, TFNs (if provided), bank account details and details of distribution reinvestment plan participation.

### Auditor

KPMG is the appointed auditor for the Fund. The auditor's role is to audit the Fund's annual financial statements, perform a half-yearly review (if required), and to provide an opinion on the financial statements.

### Australian Legal Adviser

K&L Gates is the Australian legal adviser for the Fund.

### Consents

The following parties have given written consent (which has not been withdrawn at the date of this PDS) to being named in the form and context in which they are named, in this PDS:

- Perpetual Corporate Trust Limited;
- Apex Fund Services Pty Ltd;
- KPMG; and
- K&L Gates.

Each party named above who has

consented to be named in the PDS:

- has not authorised or caused the issue of this PDS;
- does not make or purport to make any statement in the PDS (or any statement on which a statement in the PDS is based) other than as specified; and
- to the maximum extent permitted by law, takes no responsibility for any part of the PDS other than the reference to their name in a statement included in the PDS with their consent as specified.

## E. Privacy

We may collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to the Responsible Entity's related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold;
- how we collect and hold personal information;
- the purposes for which we collect, hold, use and disclose personal information;
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances);
- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint;
- whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

Our privacy policy is publicly available at [www.perpetual.com.au](http://www.perpetual.com.au) or you can obtain a copy free of charge by contacting us.

If you are investing indirectly through an IDPS, we do not collect or hold your personal information in connection with your investment in the Fund. Please contact your IDPS provider for more information about their privacy policy.

## F. Anti-Money Laundering and Counter-Terrorism Financing

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 ('AML Act') and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to Perpetual ('AML Requirements'), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (AUSTRAC). In order to comply with the AML Requirements, Perpetual is required to, amongst other things:

- verify your identity and source of your application monies before providing services to you, and to re-identify you if we consider it necessary to do so; and
- where you supply documentation relating to the verification of your identity, keep a record of this documentation.

Perpetual and the Administrator as its agent (collectively the 'Entities') reserve the right to request such information as is necessary to verify your identity and the source of the payment. In the event of delay or failure by you to produce this information, the Entities may refuse to accept an application and the application monies relating to such application or may suspend the payment of redemption proceeds if necessary to comply with AML Requirements applicable to them. Neither the Entities nor their delegates shall be liable to you for any loss suffered by you because of the rejection or delay of any subscription or payment of redemption proceeds.

The Entities have implemented several measures and controls to ensure they comply with their obligations under the AML Requirements, including carefully identifying and monitoring investors. Because of the implementation of these

measures and controls:

- transactions may be delayed, blocked, frozen or refused where an Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;
- where transactions are delayed, blocked, frozen or refused the Entities are not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or because of their compliance with the AML Requirements as they apply to the Fund; and
- the Responsible Entity or the Administrator may from time to time require additional information from you to assist it in this process.

The Entities have certain reporting obligations under the AML Requirements and are prevented from informing you that any such reporting has taken place. Where required by law, an entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. The Entities are not liable for any loss you may suffer because of their compliance with the AML Requirements.



## 9. Glossary

<b>ABN</b>	means Australian Business Number.
<b>Administrator and Unit Registry</b>	means Apex Fund Services Pty Ltd or such other administrator/registrar appointed by the Responsible Entity from time to time. Certain functions will be delegated by the Administrator to Apex Fund Services (Australia) Pty Ltd as a sub-administrator (the 'Sub-Administrator'). Unless specified otherwise all references herein to Administrator shall include the Sub-Administrator. Refer to section 8 on pages 39 – 45 of this PDS for more details.
<b>AEST</b>	means Australian Eastern Standard Time in Sydney, as adjusted for any daylight savings.
<b>AFSL</b>	means Australian Financial Services Licence.
<b>ARSN</b>	means Australian Registered Scheme Number.
<b>ASIC</b>	means Australian Securities and Investments Commission.
<b>ATO</b>	means Australian Taxation Office.
<b>Business Day</b>	means, in respect of the Fund every day banks are open for business in Sydney, Australia except Saturday, Sunday or a public holiday, or, in respect of the Underlying Fund, means every weekday on which the New York Stock Exchange is open for business.
<b>Constitution</b>	means the legal document (as amended from time to time), which sets out the governing rules of the Fund.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth) and includes the Corporations Regulations 2001 (Cth) of Australia, as amended from time to time.
<b>Fund</b>	means the Federated Hermes Global Trade Finance Fund ARSN 690 362 497.
<b>Investor or Investors</b>	means a Unit holder or Unit holders of the Fund as noted in the Unit holder register.
<b>Investment Management Agreement</b>	means the investment management agreement or similar (if any) entered into between the Responsible Entity and the Investment Manager pursuant to which the Investment Manager is appointed to provide certain services to the Fund (as amended from time to time).
<b>NAV</b>	means the net asset value of the Fund.
<b>Share</b>	means an issued share of the Underlying Fund.
<b>Underlying Fund</b>	Federated Hermes Project and Trade Finance Master Fund, a sub-fund of the Federated Hermes Alternative Funds ICAV, an umbrella fund with segregated liability between sub-funds established as an Irish collective asset-management vehicle.
<b>Unit</b>	means a unit in the Fund (as the context requires).
<b>Unit Holder</b>	A person noted in the unit register for the Fund as a holder of Units.

## 10. Directory

### **Responsible Entity**

The Trust Company (RE Services) Limited  
Level 14  
123 Pitt Street  
Sydney NSW 2000

### **Custodian**

Perpetual Corporate Trust Limited Level 14  
123 Pitt Street  
Sydney NSW 2000

### **Investment Manager**

Hermes Investment Management Limited  
Sixth floor, 150 Cheapside,  
London, EC2V 6ET, United Kingdom

### **Auditor**

KPMG  
Tower Three  
International Towers Sydney  
300 Barangaroo Avenue  
Sydney NSW 2000 Australia

### **Unit Registry and Administrator**

Apex Fund Services Pty Ltd.  
Level 10, 12 Shelley St Sydney NSW 2000  
T 1300 133 451  
E: [registry@apexgroup.com](mailto:registry@apexgroup.com)

### **Lawyers**

K&L Gates  
Level 25 South Tower, 525 Collins Street  
Melbourne VIC 3000, Australia

## **Federated Hermes Global Trade Finance Fund**

ARSN 690 362 497  
APIR PIM9459AU