



**OC Premium Equity Fund
and OC Dynamic Equity Fund**

Product Disclosure Statement
Dated 9 December 2010

OC Funds Management Limited
ACN 092 872 056 AFSL License 229316

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IMPORTANT NOTICE

The date of this Product Disclosure Statement ('PDS') is 9 December 2010.

This PDS is the document for offering units in each of the following schemes:

- OC Premium Equity Fund (ARSN 098 644 976) ('**OC Premium Fund**')
- OC Dynamic Equity Fund (ARSN 098 644 681) ('**OC Dynamic Fund**') (collectively referred to as 'the Funds' or 'the OC Funds').

OC Funds Management Limited (ACN 092 872 056) ('OC' or 'we' or 'our') is the responsible entity of each of the Funds and is the issuer of this PDS. OC holds AFS Licence number 229316. OC does not guarantee the performance of the Funds, or the return of capital to unit holders.

It is important that you read this PDS carefully and in full before deciding to invest in the Funds. This PDS has been prepared without taking account of your objectives, financial situation or needs. In particular, you should consider the risk factors that could

affect the performance of the Funds in light of your personal circumstances (including financial and taxation issues) and seek appropriate independent financial and taxation advice before deciding to invest.

The distribution of this PDS in jurisdictions outside Australia may be restricted by law. This PDS does not constitute an offer in any place in which, or to any person to whom, it would be unlawful to make such an offer. Persons who come into possession of this PDS should inform themselves about and observe any restrictions relating to this PDS. Any failure to comply with these restrictions may constitute a violation of securities laws.

The Funds are subject to regular reporting and disclosure obligations as disclosing entities under the Corporations Act 2001 (Corporations Act). Copies of documents lodged with ASIC in relation to the Funds may be obtained from ASIC or an information broker authorised by the ASIC. You may obtain, free of charge, a copy of the following documents by contacting OC:

- The Funds' annual financial reports most recently lodged with ASIC;
- Half-year financial reports lodged with ASIC after the lodgement of the most recent annual financial reports and before the date of this PDS; and
- Continuous disclosure notices given by the Funds after the lodgement of the most recent annual financial reports and before the date of this PDS.

Information contained in this PDS (and any supplementary or replacement PDS) may change from time to time. If the change is materially adverse to investors in the Funds, then in accordance with the Corporations Act, we will issue a supplementary PDS. However, if the change is not materially adverse to investors in the Funds, then we will not issue a supplementary PDS. OC reserves the right to change the features of the Funds at any time. Updated information will be available from our website at www.ocfunds.com.au and upon request we will provide you with a paper copy of any updated information free of charge.

Key Features

	OC PREMIUM FUND	OC DYNAMIC FUND
Investment objective	The objective of the Fund is to provide investors with strong long-term risk adjusted returns through investment in high quality “small to mid cap industrial” companies with strong business models and attractive investment fundamentals.	The objective of the Fund is to provide investors with strong long-term risk adjusted returns through investment in high quality “small to mid cap industrial” companies with strong business models and attractive investment fundamentals.
Recommended investment timeframe	3–5 years minimum	3–5 years minimum
Minimum initial investment	\$20,000	\$20,000
Minimum additional investment	\$1,000 (\$100 if using monthly savings plan)	\$1,000 (\$100 if using monthly savings plan)
Distributions (if made)	Half-yearly (June and December) paid within 2 months of these dates	Yearly (financial year-end June 30) paid within 2 months of this date
Reporting to Unit holders	Monthly	Monthly
Statements to Unit holders	Annually (July)	Annually (July)
Ongoing fees (including Management Fee) ^{1,2}	1.73% per annum calculated on the prevailing asset value of the Fund.	1.73% per annum calculated on the prevailing asset value of the Fund.
Performance fee ¹	20.5% of the annualised return in excess of the performance hurdle	20.5% of the annualised return in excess of the performance hurdle
Performance hurdle	15% annualised return (within a financial year) and 15% increase from high-water mark	15% annualised return (within a financial year) and 15% increase from high-water mark
High-water mark ³	Yes	Yes
Buy/sell spread ⁴	0.30%	0.30%
Applications	On business days	On business days
Redemptions	On business days	On business days
Entry fee	Nil	Nil
Exit fee	Nil	Nil
Lock-up period	N/A	N/A
Savings plan	Yes	Yes
Distribution Reinvestment Plan	Yes	Yes
Online Account Access	Yes	Yes

¹ See 'Fees and other costs' on page 12.

² These figures are net of the effect of GST and reduced input tax credits.

³ A 'high-water mark' is set at the prevailing asset value of a unit when a performance fee is levied. No further performance fees will be payable until that prevailing asset value has been exceeded by the performance hurdle. Further information in relation to performance fees is set out on pages 15 to 16.

⁴ This pricing spread reflects the costs of investing in or redeeming an investment from a Fund and is designed to protect the interests of existing and remaining unit holders in the Fund. The post GST cost of brokerage is added to the prevailing asset value to calculate the application price, while this same amount is subtracted from the prevailing asset value to calculate the redemption price. Further information in relation to unit pricing is set out on page 18.



OC Funds Management

Our approach is built on the understanding that investors are seeking professional asset management which applies rigour, diligence and insight to the management of their invested funds.

About OC Funds Management

OC Funds Management ('OC') was established in 2000 and is a privately owned and well resourced Australian equity specialist.

OC's core business is the management of Australian equity funds and portfolios for retail clients, high net worth investors and financial planners.

OC currently offers three Australian Equity Managed Funds:

- the **OC Premium Equity Fund** and the **OC Dynamic Equity Fund** which are long only benchmark unaware Funds with a target investment universe being ASX ex Top 100 listed companies by market capitalisation.
- the **OC Concentrated Fund** which is designed for investors who seek a multi-strategy absolute return investment approach in Australian Securities Exchange ('ASX') listed securities.

In April 2010 OC acquired OC Managed Accounts Pty Ltd (ACN 007 329 580) (formerly Patriot Managed Accounts Pty Ltd) which is now a wholly owned subsidiary of OC.

OC Managed Accounts Pty Ltd specialises in the management of discrete Australian share portfolios, otherwise known as individually managed accounts, for wholesale investors.

Competitive advantages

Independent

OC is 100% owned by staff and non-executive directors with an exceptional network of industry contacts.

Experienced and well resourced investment team

OC has five investment managers with sixty plus years collective funds management experience focused on one market.

OC has a long-term record of top level investment performance through differentiated products.

Alignment of interest

The investment managers are owners of the business and investors in the funds, providing a strong investment performance incentive.

OC will cap the size of the funds under management to avoid compromising investment performance by lack of transactional flexibility.

Any after tax performance fees generated are reinvested back into the funds for at least one year. OC prospers when our clients prosper.

Investment Profile

Strong focus on risk management and risk adjusted returns

OC's aim is to provide investors with strong long-term risk adjusted returns delivered through a disciplined and rigorous investment process.

- We consider risk as investing in what you don't understand.
- Knowing what you are investing in means understanding the key business drivers.
- To understand the key business drivers we undertake intensive company analysis including extensive contact with senior management and industry and competitive sources.

Benchmark unaware portfolio

The OC Funds are specifically structured to take advantage of the many investment opportunities available in the Australian equities market.

The overriding aim of the Funds is to provide investors with positive risk adjusted returns over the long-term. Consequently, the composition of the individual investments within the Funds is likely to vary over time and, as such, may at times produce markedly different returns from the overall market.

Bottom-up fundamental approach to stock selection

OC takes a stock-specific, bottom-up approach to investment and does not have a particular style bias such as value, growth or income.

In order to maximise the number of potential investment opportunities, the Funds' investment universe includes all companies listed or about to be listed on the ASX.

Despite the broad investment universe, OC's focus is generally on small to mid sized companies which OC considers are easier to understand with clear business drivers. OC also considers the opportunities for significant growth of well positioned, managed and resourced small to mid sized companies are often greater than those of larger companies.

OC's bottom-up approach is overlaid with a strong risk management process which implicitly takes into account macro themes and other issues impacting, or likely to influence markets.

Long-term investment focus

OC's investments are based on the ability to understand the business, meet the key management and have a clear comprehension of the business value drivers and hence the underlying valuation. As such, OC considers meetings with company management and site visits to be a key part of our investment process. A considerable proportion of OC's investment research is dedicated to meeting with company management which we believe can provide substantial advantage in assessing the quality of the company and the likelihood of strong performance.

Residual cash holdings

The Funds' flexible investment mandates extend to cash holdings with a maximum cash weighting target of 20%.



Detailed analysis

OC considers meetings with company management and site visits to be key parts of the investment process.

The OC Premium Equity Fund

Fund description

The OC Premium Fund is a long only benchmark unaware Fund with its target investment universe being the ASX ex Top 100 listed companies by market capitalisation.

Fund objective

The objective of the Fund is to provide investors with strong long-term risk adjusted returns through investment in high quality small to mid cap industrial companies with strong business models and attractive investment fundamentals.

FUND PROFILE			
Fund characteristics	Target fund weighting	Maximum stock holding	Maximum stock weightings
Equities	80%–100%	25 – 40 stocks	8% in any one stock
Cash	0%–20%	-	-

Key features

- Core focus on domestically-based businesses with high quality management and business models.
- A proven bottom-up approach to active investment management using OC's established investment skills to deliver excess risk adjusted investment returns.
- An intensive company visitation program with industry analysis and strong industry contacts to provide an 'informational edge'.
- Proprietary investment database built up over 10 years.
- Flexible cash weightings of up to 20% which is a residual of the implementation of bottom-up stock analysis and liquidity.
- Strong alignment of interests with clients. The managers are owners of the business and investors in the funds, providing a strong investment performance incentive.
- Access to highly experienced investment professionals focused on generating excess returns.

Fund size and performance

For the most recent fund size and performance please visit the OC website at www.ocfunds.com.au or contact client services on **1800 442 129**.

Past performance is not indicative of future performance.



The OC Dynamic Equity Fund

Fund description

The OC Dynamic Equity Fund is a long only benchmark unaware Fund with its target investment universe being the ASX ex Top 100 listed companies by market capitalisation.

Fund objective

The objective of the Fund is to provide investors with strong long-term risk adjusted returns through investment in high quality small to mid cap industrial companies with sustainable business models and attractive investment fundamentals.

The Fund combines the above core investment strategy of the OC Premium Equity Fund with the objective of adding further value through investing in emerging leaders or event driven stocks that OC believe have near term share price upside.

FUND PROFILE

Fund characteristics	Target fund weighting	Maximum stock holding	Maximum stock weightings
Equities	65%–100%	25 – 40 stocks	8% in any one stock
Emerging leaders	0%–15%	0 – 5 stocks	3% in any one stock
Cash	0%–20%	-	-

Key features

- Core focus on domestically-based businesses with high quality management and business models.
- A proven bottom-up approach to active investment management using OC's established investment skills to deliver excess risk adjusted investment returns.
- An intensive company visitation program with industry analysis and strong industry contacts to provide an 'informational edge'.
- Proprietary investment database built up over 10 years.
- Flexible cash weightings of up to 100% which is a residual of the implementation of bottom-up stock analysis and liquidity.
- Strong alignment of interests with clients. The managers are owners of the business and investors in the funds, providing strong investment performance incentive.
- Access to highly experienced investment professionals focused on generating excess returns.

Fund size and performance

For the most recent fund size and performance please visit the OC website at www.ocfunds.com.au or contact client services on **1800 442 129**.

Past performance is not indicative of future performance.

Investment Process

Detailed bottom-up analysis

Although there are in excess of 2,000 securities quoted on the ASX, very few meet OC's investment criteria. OC only invests in companies that have strong and simple business models, from which we can assess both the potential risk and the inherent value.

There are six broad fundamental criteria that we typically assess in analysing potential long-term holdings:

- management;
- business model;
- operating history;
- industry structure;
- financial analysis; and
- corporate structure.

OC labels this analysis as the Operational Risk Assessment ('ORA'). These factors quantify the qualitative aspect of the opportunities within our investment universe.

Idea generation

OC's experienced investment team and non-executive directors have an extensive corporate network on which to draw for stock ideas and analysis.

Investment ideas for the Funds are obtained from many sources including industry research analysts, corporate financiers, business associates, journalists, company announcements, press articles and journals.

Stockbroking relationships exist with over 25 firms which enable us to access extensive quantities of external research and a large number of corporate transactions.

Valuation

OC proprietary methodology is a critical component of our investment process.

Valuation techniques used will vary depending on the business model dynamics and the nature of company earnings streams. Valuation techniques include:

- capitalisation analysis (eg. price earnings ratio (P/E), EV/EBITDA);
- discounted cash flows;
- return based calculations; and
- comparative valuation analysis.

Portfolio construction

The stocks in OC's portfolios are weighted according to their risk profile, through the ORA process, and our proprietary company valuations. The liquidity of any investment is additionally taken into consideration in constructing our investment portfolio.

Portfolio maintenance

A regular process of research and evaluation is conducted on all holdings in the Funds.

The equity market is a dynamic, constantly changing environment and Fund holdings will be added to, reduced, or sold entirely as information (and consequently our assessment of risk and valuation) changes.

Understanding the Risks of Investing

Risks of investing

The value of your investment in a Fund will go up and down with the value of the Fund's assets. The risk you take depends on many factors – which asset class you have invested in, how long you intend to invest for and the timing of your investment. OC does not promise any particular rate of return or that there will be no capital loss, nor any particular taxation consequences of investing.

The Funds invest in securities listed, or about to be listed, on the ASX. While the Australian stock market has, over the long-term, produced returns above the average rate of inflation, there are periods in which substantial negative returns have been produced. As the Funds may have concentrated positions in certain investments, the value of the Funds may fall significantly further than the overall market during a period of negative performance.

Your investment may also be exposed to risks including the following:

Market risk: The risk of decline across a whole asset class (e.g. the share market) due to economic factors, technological change, political or geopolitical events, changing legal conditions or changing market sentiment.

Investment selection risk: The risk that the specific investments we choose for the Fund will not perform as well as others. Some factors that may affect the value of a security are specific company earnings, management changes, competitor behaviour, economic conditions, liquidity, investor sentiment, currency and commodity price movements, government policy and global events.

Interest rate risk: The risk that changes in interest rates can have a negative impact directly or indirectly on investment value or returns. For example, if rates rise, a company's borrowing costs can increase, causing its profits to decline.

Liquidity risk: The risk that securities that are not actively traded may not be readily convertible to cash without some loss of capital.

The Funds are not suited to investors who seek a short-term investment, are averse to unit price volatility, or those who are unable to sustain a loss of investment capital.

In preparing this PDS, OC has not taken into account your individual investment requirements or financial position. Before making an investment in the Funds, we recommend you consult your investment adviser.

Frequently Asked Questions (FAQs)

Fund characteristics

What is the difference between the OC Premium Equity Fund and OC Dynamic Equity Fund?

The OC Premium Equity Fund pays two distributions a year and looks to build long term investments in high quality small to mid cap industrial companies with sustainable business models and attractive investment fundamentals.

The OC Dynamic Equity Fund pays one distribution a year and combines the core investment strategy of the OC Premium Equity Fund with the objective of adding further value through investment in emerging leaders or event driven opportunities that OC believe have near term share price upside.

Do the Funds use derivatives?

The Funds are long only equity Funds. Financial derivatives such as futures, options, swaps and forward rate agreements are not used at all in the running of the Funds.

What investments can the Funds hold?

The Funds may invest in any stock that is listed, or about to be listed, on the ASX.

How can I reduce my investment risk?

You can reduce your investment risk by:

- **Obtaining professional advice.** A professional independent adviser can help you ensure the investment decisions you make are appropriate bearing in mind your investment objectives, financial and personal situation, risk tolerance and level of investment experience.
- **Investing for the recommended time frame.** Higher risk investments, such as shares, exhibit less volatility when viewed over longer time periods. Consequently, investing for a term of between 3 and 5 years gives you a better chance of enjoying a positive return.

Applications and investments

How do I invest?

You can make an investment in either or both of the Funds by completing the application form at the back of this PDS, attaching a cheque payable to "OC Funds Management" or by electronic funds transfers (EFT) to the bank account outlined in the Application Form.

Where do I send my application form?

Application forms should be sent to:

OC Funds Management
P.O. Box 572, Collins Street West
Melbourne VIC 8007

Is there a minimum investment?

The minimum initial investment in a Fund is \$20,000 and the minimum additional investment is \$1,000 (unless using a savings plan which has a minimum additional investment of \$100 per month).

How will I be kept informed of my investment?

It's important that you know exactly what's happening with your investment. To help you keep informed we:

- Confirm every investment and withdrawal you make.
- Provide access to the OC online system which allows you to view your investment value, transaction history and contact information via a secure log in through the OC Funds Management website www.ocfunds.com.au
- Send you a quarterly investment review with information on the companies we have visited, a full overview of the stock market and a full listing of the stocks held in the Funds' portfolio.
- Provide telephone services to give you the balance of your account at any time.
- Send you a copy of the annual accounts of the Funds (if you elect to receive them on the application form).

Payments and withdrawals

How do I withdraw my investment?

You may request the withdrawal of part or all of your investment by completing a redemption request form which is available on the OC Funds Management website at www.ocfunds.com.au or by contacting us on **1800 442 129**.

Completed redemption requests should be sent to:

OC Funds Management
P.O. Box 572, Collins Street West
Melbourne VIC 8007

or fax **(+613) 9642 0066**

How quickly can I get my money back?

Investments in the Funds can normally be redeemed and net proceeds made available within seven working days.

The Responsible Entity may use its discretion in reducing or expanding the withdrawal periods and under each Fund's Constitution may suspend redemptions for 60 days.

In addition, pursuant to each Fund's Constitution, the Responsible Entity may suspend redemption of units in the Fund for the duration of an event or circumstance, for a period not exceeding 30 days. See 'Redemption' on page 18 for additional details.

Note: All faxed withdrawal requests must be received by 2.00pm EST for processing that day.

Distributions

What are distributions?

Distributions comprise your share of any net income (i.e. companies that have paid dividends during the half year or year that the Fund has invested in net of Fund expenses) or realised capital gains earned by the Fund during the distribution period.

How often do the Funds distribute?

The OC Premium Equity Fund distributes half yearly and the OC Dynamic Equity Fund distributes yearly.

What are my distribution choices?

You can choose to have your distributions:

- automatically reinvested with no transactional costs payable. The additional units are purchased using the prevailing asset value per unit applicable immediately after the distribution; or
- directly credited to your nominated bank account.

You must nominate your choice on your application form or by later notice in writing to OC Funds Management. Your nominated distribution method will apply to your entire holding in a Fund. A different choice may however be made for a different Fund. If you do not make a choice, then your distribution will be automatically reinvested.

What happens if I invest just before a distribution?

Please note that the unit price of a Fund will fall by the amount of any distribution (per unit) when the units are priced ex-distribution.

If you invest just prior to a distribution then that distribution effectively represents a return on your investment as represented by income and realised capital gains.

Depending on your circumstances, this may have certain taxation implications and we recommend you speak with your financial adviser or tax adviser to determine your own situation.

See 'Taxation' on page 21.

Fees and Other Costs

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 fund 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 contribution fees and management costs where applicable. Ask the fund or your financial advisor.

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) website (www.fido.asic.gov.au) has a managed investment fee calculator to help you review different fee options.

This section shows fees and other costs that you may be charged by each of the Funds. These fees and other costs may be deducted from a Fund's assets as a whole. The fees and costs are shown net of the effect of GST, which is inclusive of the Australian Goods and Services Tax rate of 10% and the reduced input tax credit (RITC). Further information about taxes are set out on pages 21 to 22.

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

The management and performance fees that are set out in this PDS are less than the maximum fees prescribed in the Constitution of each Fund. Subject to the terms of the Constitution of each Fund, the Responsible Entity may increase these fees.

If OC changes any fee or cost which it is entitled to change under the Constitution of a Fund, it will give unit holders 30 days notice of such change.

This section shows fees and other costs that you may be charged.

TYPE OF FEE OR COST	Amount		How and when paid
	OC Premium Equity Fund	OC Dynamic Equity Fund	
Fees when your money moves in or out of the Fund			
Establishment fee: The fee to open your investment.	Nil	Nil	Not applicable
Contribution fee: The fee on each amount contributed to your investment, either by you or your employer.	Nil	Nil	Not applicable
Withdrawal fee: The fee on each amount you take out of your investment.	Nil	Nil	Not applicable
Termination fee: The fee to close your investment.	Nil	Nil	Not applicable
Management Costs⁵			
Administration fee⁶: This is the fee for general administration of the Fund and covers custody, audit, legal and compliance, accounting and taxation and ASIC fees.	Approximately 0.20% reflecting administration costs	Approximately 0.20 % reflecting administration costs	Calculated on the prevailing asset value of the Fund at month-end, accrued daily and paid monthly to OC.
Management fee⁷: This is the fee for managing the Fund's investments.	1.53%p.a	1.53%p.a	Calculated on the prevailing asset value of the Fund at month-end, accrued daily and paid monthly to OC.
Performance fee⁸: This is the fee for exceeding the performance hurdle of both a 15% annualised return and a 15% increase from the previous high-water mark.	20.5% of the excess performance	20.5% of the excess performance	Accrued to each Fund during the financial year and paid to OC at the end the financial year (refer to 'Additional explanation of fees and costs' on pages 14 to 16 for further details of the dollar amounts of the performance fees charged).
Additional Service Fees			
Switching fee: The fee for changes to investment options.	Nil	Nil	Not applicable. You will however incur the buy-sell spread when switching between funds.

⁵ Management costs are net of the effect of GST and reduced input tax credits (RITC).

⁶ The Custodian receives a custody fee of 0.01% per annum of the total asset value of each Fund. This fee accrues monthly and is to be paid quarterly. The Funds also pay an accounting fee to the Custodian and meet all other direct expenses and outgoings of the Funds. All fees are deducted from the value of Fund assets prior to unit price calculation.

⁷ As consideration for managing the Funds, for the duration of this PDS, OC will be paid an investment management fee of 1.53% p.a. of the prevailing asset value of the Funds. The fee is paid monthly in arrears, or such other period as determined by OC.

⁸ Further information on Performance Fees is set out on pages 15 to 16.

Fees and Other Costs continued

Example of annual fees and costs

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

Example		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	0%	You will be charged nil contribution fee.
PLUS Management Costs	1.73%	And , for every \$50,000 you have in the Fund you will be charged \$865 each year.
EQUALS Cost of Fund	1.73%	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees from: \$865 to \$952*. What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial advisor.

** Additional fees may apply. As at 31 October 2010 the OC Funds' long term performance has been 10.1% (Premium Fund) and 11.4% (Dynamic Fund) p.a. since inception in 2000. Where annual performance exceeds the performance hurdle, a performance fee will be payable. For further details see additional explanation of fees and costs.*

Additional explanation of fees and costs

Administration fee

The Management Costs part of the fees table on this page includes this fee. It is a fee of approximately 0.20%p.a. on the prevailing asset value of the Fund, calculated and payable at such times as OC decides. It is generally calculated daily and payable monthly in arrears.

Example: If the prevailing asset value of the Fund is \$20 million at a particular month of 31 days, the approximate fee payable in arrears in respect of that month is \$13,397.26. Once the fee has been paid (ie on the day following the calculation of the Administration Fee), the prevailing asset value of the Fund, assuming there is otherwise no change in value through the valuation methodology, will be \$20 million less \$13,397.26 less any other costs.

Management fee

The Management Costs part of the fees table on this page includes this fee. It is a fee of 1.53% of the prevailing asset value of the Fund, calculated and payable at such times as OC decides. It is generally calculated daily and payable monthly in arrears.

Example: If the prevailing asset value of the Fund at the end of a particular month of 31 days is \$20 million, the fee is \$25,989.04. Once the fee has been paid (ie on the day following the calculation of the Administration Fee), the prevailing asset value of the Fund, assuming there is otherwise no change in value through the valuation methodology, will be \$20 million less \$25,989.04 less any other costs.

Performance fee information

Performance Fee

OC is entitled to a Performance Fee of 20.5% of the amount of excess performance in any financial year, subject to a high-water mark.

Performance Hurdle

The Performance Hurdle is the higher of:

- a) 15% annualised increase in the unit price as at 30 June in the previous financial year; and
- b) 15% annualised increase above the previous high-water mark.

The Performance Hurdle will be adjusted if and when distributions are paid during the performance period.

Excess performance

The amount by which the annualised return exceeds the Performance Hurdle is defined as the "excess performance".

High-water mark

The high-water mark is the unit price the last time OC was paid a Performance Fee (adjusted for distributions).

The requirement of meeting a high-water mark ensures that where there are drops in the value of the unit price OC will not be entitled to a Performance Fee until the Performance Hurdle has been reached (please refer to Performance Hurdle explanation above).

Performance Fee calculation

In order to smooth any Performance Fee entitlement to OC over the course of the year (rather than the imposition of the full fee on 30 June every year), any Performance Fee entitlement will be calculated daily.

The Performance Fee will be accrued or reimbursed, as an accounting entry, to the Fund as the level of excess performance (if any) varies. When the excess performance exceeds the previous excess performance, an additional Performance Fee accrual will be made by multiplying 20.5% of the increase in the excess performance over the previous period by the number of units on issue at the beginning of the period.

When the excess performance falls below the previous period's excess performance, the accrued performance fee will be reimbursed to the Fund by the same percentage by which the excess performance has fallen.

This means that the unit price will be net of any accrued fees at that point in time, meaning there is no unfairness in respect of exits and entrances to a Fund prior to the actual payment by the Fund of fees including Performance Fees.

In the event that the excess performance becomes zero, all accrued Performance Fees will be reimbursed to the Fund. At no point will the Performance Fee be of a negative value.

At the end of the financial year, accrued performance fees (if any) will be paid to OC, which will invest the equivalent after tax amount into the Fund for a minimum of 12 months.

Fees and Other Costs continued

Performance Fees explained

The tables below represent a range of scenarios for an investor in the OC Funds in terms of when and what Performance Fees might be payable.

EXAMPLE 1: ASSUMING THAT THE START OF THE CALCULATION PERIOD IS AT HIGH-WATER MARK*

Fund performance	Performance condition	Performance Fee outcome
-5%	Below the high-water mark	No Performance Fee payable
0%	Equal to the high-water mark Below the performance hurdle	No Performance Fee payable
5%	Above the high-water mark Below the performance hurdle	No Performance Fee payable
10%	Above the high-water mark Below the performance hurdle	No Performance Fee payable
15%	Above the high-water mark Equal to the performance hurdle	No Performance Fee payable. The performance of the Fund must exceed the performance hurdle to incur a performance fee expense.
20%	Above the high-water mark. Exceeds the performance hurdle requirement	If the Fund obtains a 20% return, therefore exceeding the performance hurdle and meeting the performance fee requirements, based on \$20,000 investment the investor will be charged \$205 .

EXAMPLE 2: ASSUMING THAT THE START OF THE CALCULATION PERIOD IS 10% BELOW HIGH-WATER MARK*

Fund performance	Performance condition	Performance Fee outcome
0%	Below the high-water mark	No Performance Fee payable
5%	Below the high-water mark	No Performance Fee payable
10%	Equal to the high-water mark Below the performance hurdle	No Performance Fee payable
15%	Above the high-water mark. Below the performance hurdle	No Performance Fee payable. The performance of the Fund must exceed the high-water mark and the performance hurdle to incur a performance fee expense
25%	Above to the high-water mark. Equal the performance hurdle	No Performance Fee payable. The performance of the Fund must exceed the high-water mark and the performance hurdle to incur a performance fee expense.
35%	Above the high-water mark. Exceeds the performance hurdle requirement	If the Fund obtains a 35% return, therefore exceeding the high-water mark and the performance hurdle and meeting the performance fee requirements, based on \$20,000 investment the investor will be charged \$410 .

* All percentage figures are quoted after management and administration fees but before performance fees.

Fee changes

Under the Constitutions, OC has the right to charge an applicant an application fee of 0.05% (until OC determines another percentage) of the value of units applied for and to charge an exit fee of 0.05% (until OC determines another percentage) of the value of the units redeemed. OC has currently waived these fees. OC also has the right (pursuant to the Constitutions) to charge up to 1.0% per annum for the Administration Fee, up to 5% per annum for the Management Fee and up to 25% for the Performance Fee. Under the Constitutions, OC may waive, reduce or refund any part of the application, exit or management fee. OC will give unit holders not less than 30 days notice before a change in fees.

Expenses

OC is entitled to be reimbursed from the Funds for any deposits, costs associated with any capital raising or asset acquisition and all costs and expenses incurred in relation to the proper performance of duties. OC may also charge for any management duties it performs (e.g. accounting, registry) at market rates. These expenses will be charged to the Funds as and when they are incurred. If OC becomes liable to pay GST in respect of any matter arising in respect of the Fund, then OC is also entitled to be paid or reimbursed that amount of GST from the Funds' assets. However, where available, the Fund will claim input tax credits for the GST incurred.

Commissions paid to financial advisers and other intermediaries

OC may pay an 'up front' commission to financial advisers and other intermediaries whose clients invest in a Fund. OC does not presently pay 'trail commission' to financial advisers or other intermediaries but retains discretion to do so.

Transactional costs

The application and redemption unit prices will be different due to transaction costs. This is because an application or redemption may necessitate the purchase or sale of a Fund's assets, incurring transaction costs such as brokerage, stamp duty and other government taxes.

Further, when calculating transaction costs, OC may only be able to estimate the transaction costs involved. This is because the cost of acquiring or realising a Fund's assets will not necessarily be incurred at the same time as an application for new units or a request for redemption of units is processed.

The costs associated with acquiring or realising assets may vary over time, depending on markets involved. Further, where a field level of costs is set and the costs increase over time, if OC is unable to allocate them to the entering or exiting investor, the existing or remaining investors would not be disadvantaged.

OC does not charge investors a fee for switching between Funds. However, investors may incur a cost in switching between Funds through the "buy sell spread" process (see 'Unit pricing' on page 18).

Incidental fees

All fees and charges in respect of dishonoured funds (cheques or electronic) will be borne by the investor.

Tax

Information on tax and insurance is set out in the 'Taxation' section of this PDS.

Application, Redemption and Distribution

Applications

The minimum initial application for each Fund is \$20,000. Further subscriptions and withdrawals may be of a lesser amount, but not less than \$1,000 (unless on a monthly savings plan, which has a minimum additional \$100 subscription amount). Further information in relation to additional investments is set out below under the heading "Additional investments".

Applicants who wish to invest in either or both of the Funds must complete the application form attached and mail it to:

OC Funds Management
P.O. Box 572, Collins Street West
Melbourne VIC 8007

A bank or personal cheque made payable to **OC Funds Management** for the application amount must be attached to the application form. Cheques must be cleared before units will be issued.

Applications can be made between 9.00am and 5.00pm on any business day. However, for unit pricing purposes, any applications received after 2.00pm Melbourne time on a business day will generally be treated as being received on the following business day.

The Responsible Entity reserves the right to reject an application without any given reason. The Responsible Entity will retain the interest (if any) earned on applications monies while held in the application money trust account.

Redemption

Investors may request the redemption of some or all of their units in a Fund by completing and lodging a redemption form. All redemption requests must be received by 2.00pm Melbourne time for processing that day. Any redemption request received after that time will generally be treated as being received on the following business day.

Redemption forms may be obtained by contacting OC on **1800 442 129** or from the website at **www.ocfunds.com.au**.

The Responsible Entity may suspend redemption for a period of 60 days from the day on which units would have been redeemed and may extend this period with prior written notice to investors.

In addition, where the Responsible Entity considers it desirable for the protection of the Fund or in the interests of investors, the Responsible Entity may suspend redemption of units in the Fund for the duration of an event or circumstance, not exceeding 30 days, where the pricing of the underlying assets of the Fund is not possible (see 'Unit pricing' on page 18 of for a list of circumstances that may make it impracticable to calculate the price of the underlying assets of the Fund).

Completed redemption forms must be mailed to:

OC Funds Management
P.O. Box 572, Collins Street West
Melbourne VIC 8007

or faxed to **(+613) 9642 0066**.

The redemption amount is paid via non-negotiable cheque or direct bank deposit.

Unit pricing

The price at which units in the Funds are issued or redeemed is calculated by taking the value of the assets of a Fund (including undistributed income and gains) in the most recent valuation calculated to the proposed day of issue or redemption of the units, and then adjusting for the transaction costs associated with monies flowing into or out of a Fund (which include brokerage and administrative costs). These continuing calculations create a 'buy/sell spread' and ensure that existing investors are not penalised by monies flowing into, or out of the Funds. For the purposes of issuing units, these costs are added to the value of the assets. For the purposes of redeeming units, these costs are subtracted from the value of the assets. This amount is then divided by the number of units on issue and rounded to the closest 1/100th of a cent (\$0.0001).

The standard dealing day for applications and redemptions is each business day utilising the valuation arrived at on the close of business on the previous business day.

Applications for new units and redemptions of existing units will be processed and therefore made effective as at the next daily valuation date with redemption monies normally forwarded within seven business days of the redemption taking place.

The Constitution of each Fund provides for a suspension period during which valuations may not be provided in circumstances where the pricing of the underlying assets of the Funds may not be possible due to market uncertainties and rapidly fluctuating or frozen prices. Events that may trigger a suspension include:

- the closure of, or trading restrictions on, stock or securities exchanges on which an investment of the Fund is listed or offered for sale, purchase or exchange;
- the declaration of a moratorium by a government agency or an emergency or other state of affairs which affects the underlying assets of the Fund; and
- where OC reasonably considers that it is in the interest of the unit holders to suspend valuations.

Income distribution

Subject to the terms of the relevant Fund Constitution, OC may, at any time, make a distribution by deciding that an amount representing capital or income of the Fund should be distributed to the unit holders of that Fund. Distributions must be made to unit holders of the Fund pro-rata to the proportion each unit holder holds of the total number of units on issue in the Fund. Distributions may be paid via non-negotiable cheque, deposited directly into a bank account, or reinvested in additional units.

Unit holders are requested to nominate their preferred method of distribution on the application form. If no choice is made, any distributions will be automatically reinvested on behalf of the unit holder back into the relevant Fund. As the reinvestment of a distribution is effectively an additional investment without an

application form, OC will comply with term four of the additional investment arrangement set out below for all unit holders that have distributions reinvested back into a Fund. Unit holders that have distributions reinvested back into a Fund should also take note of the information contained in the "Important Notice" that follows details of additional investments and savings plans set out below.

Distributions from the Premium Equity Fund (if any) will be made either half-yearly (at OC's discretion) or annually. If made half yearly, distributions will usually be paid within 2 months of 31 December and within 2 months of 30 June.

Distributions from the Dynamic Equity Fund (if any) will be made annually and will usually be paid within 2 months of 30 June.

Any franking credits or foreign tax credits generated during the period will be distributed with the 30 June payments.

Additional investments

The terms of OC's additional investment arrangements are:

1. The minimum additional investment that a unit holder may make in a Fund is \$1,000 (unless using a savings plan which has a minimum monthly investment of \$100), unless it is a distribution reinvestment.
2. Unit holders may make additional investments in a Fund by:
 - 2.1. sending a bank or personal cheque made payable to 'OC Funds Management' for the application amount addressed to OC Funds Management, P.O. Box 572, Collins Street West, VIC 8007, together with written instructions clearly identifying the unit holder and the Fund (or Funds) in which the unit holder wishes to invest the application money; or
 - 2.2. electronic funds transfer to the account detailed in the application form.

Application, Redemption and Distribution continued

3. If a unit holder is only a unit holder of one of the Funds, the unit holder may only make an additional investment in that Fund. If the unit holder is a unit holder of both Funds, the unit holder must specify what proportion of the additional application amount the unit holder wishes to invest in each Fund. However, the minimum additional investment of \$1,000 may not be split between the two Funds. Therefore, if the unit holder is a unit holder of both Funds and the unit holder wishes to invest a proportion of the additional application amount in both Funds, the unit holder must invest a minimum of \$1,000 in each Fund (unless using a savings plan which has a minimum monthly investment of \$100).
4. A unit holder who makes an additional investment in a Fund will be issued with additional units in the relevant Fund on the next business day of the unit price being struck. A written confirmation of the amount of the additional investment will be provided to unit holders following the allotment of the additional units.

Savings plan

A savings plan offers the benefit of making regular monthly investments from a nominated account into the Funds (once you have made the initial investment of \$20,000). Regular monthly investments into the Funds may lead to a concept known “as dollar cost averaging” allowing investors to purchase more units when the price is low and less units when the price is high, averaging the entry price over different economic cycles.

The minimum monthly investment is \$100 per month. You will need to complete a direct debit request form at the back of this PDS, which includes a Direct Debit authority form.

All requests must be received 10 business days prior to the 15th of the month to enable funds to be drawn commencing on the 15th of each month. If the 15th falls on a weekend the amount will be drawn on the next business day.

IMPORTANT NOTICE

Unit holders who participate in these additional investment arrangements should keep a copy of the current PDS and any information that updates that PDS for future reference.

Investing through a master trust or wrap account

If you are investing through a master trust or wrap account, then it is important to understand that it is generally the operator of that service or custodian of that service which becomes the investor in our Fund (not you). It follows that they have the rights of an investor and we recognise that they alone can exercise them. OC is not responsible for the operation of any master trust or wrap account service through which you may invest, or for their arrangements with you in relation to their exercise of the rights of an investor in the Funds.

You can, however, still rely on the information in this PDS.

If you are investing through a master trust or wrap account, you should also take into account the fees and charges of the operator of that service.

In addition to reading this PDS you should read the document that explains the master trust or wrap service.

Taxation

This section deals with taxation issues associated with investing in each of the Funds. Each individual investor's circumstances are different and each investor should seek their own professional taxation advice before investing in the Funds. The information set out below relates to Australian individual resident investors. This information is based on taxation law as at the date of this PDS and is of a general nature only and cannot be relied upon.

Tax position of the Funds

Generally, no Australian income tax will be payable by the Funds as investors are presently entitled to all of the distributable income (including any realised net capital gains) of the Funds for each year of income. If the Funds have net income that no investor is presently entitled to, the Funds will be subject to tax at the highest marginal tax rate (plus Medicare Levy).

Distributions

The net income and net capital gains of the Funds distributed to an investor should be included in the investor's assessable income even if the distribution is reinvested. Assessable distributions will be payable to investors half yearly for Premium Fund unit holders (30 June and 31 December) and annually for Dynamic Fund unit holders (June 30), usually within 2 months after the distribution dates. However, the assessable distributions of the Funds allocated to an investor must be included in the investor's income tax return for the year of the entitlement even if the distribution is received or reinvested in the following year.

The Responsible Entity will provide to investors an annual taxation statement detailing the amount of distributions that should be disclosed as assessable income. The statement will also include details of any part of a distribution that is non-taxable.

Franking credits

The Funds will seek to pass on any benefits of franking credits in respect of distributions including franked dividends from the Funds to investors. Investors receiving distributions including franking dividends will be required to include their share of dividend income and franking credits in their assessable income.

A tax offset which is equal to the amount of the franking credits will be applied to reduce the tax otherwise payable by investors on their total taxable income (excluding the Medicare Levy). The entitlement of an investor to claim this tax offset depends on the investor satisfying certain conditions.

If franking credits exceed the tax payable by an investor on the investor's total taxable income, certain investors (such as individuals, complying superannuation funds and life insurance companies) are entitled to a refund of excess franking credits.

Investors may be denied franking credits and franking rebates in respect of distributions on units which the investor has not owned at risk generally for a continuous period of 45 days (ignoring the day of acquisition and disposal). In determining whether the 45 day period is satisfied, a 'last in, first out' basis is adopted.

Capital gains tax

The redemption of units will constitute a disposal for tax purposes. Generally, profits arising from the disposal of units will be subjected to capital gains tax where these units were acquired for investment purposes. However, such profits may be regarded as ordinary income where, for instance, the investor is regarded as a trader or institutional investor.

Non-assessable amounts (if any) distributed to an investor may reduce the investor's cost base in the units held by the investor, which will cause an increased capital gain or a reduced capital loss on the subsequent disposal of the units by the investor.

If the investor has held units continuously for at least 12 months:

- a) individual and trust investors may be entitled to a capital gains tax discount of 50 per cent; and
- b) complying superannuation fund investors may be entitled to a capital gains discount of 33 1/3 percent.

Company investors are not entitled to a discount of any capital gains made.

Taxation continued

Tax File Number (TFN)/Australian Business Number (ABN) (Australian resident investors)

It is not compulsory for an investor to provide a TFN or ABN. However, without a TFN or ABN, or the appropriate exemption information, tax will be withheld from distributions to the investor at the highest marginal tax rate (plus Medicare levy) until the TFN, ABN or exemption is provided by the investor.

An ABN may be used as an alternative to a TFN if the investments by the investor are undertaken in the course of carrying out an enterprise. Indirect investors who wish to provide their TFN, exemption or ABN should contact the Responsible Entity.

Australian tax position of non-resident investors

Appropriate statutory deductions of Australian tax will be made from distributions to non-resident investors. The rate of tax that applies to distributions depends upon the type of income and or capital gain that is being distributed, whether the investor is an individual, company, or a trust and which country the investor resides in.

Non-resident investors may also be subject to tax on distributions in the country in which they reside, but may be entitled to a credit for some or all of the tax deducted in Australia.

A non-resident investor should generally not be subject to Australian capital gains tax if the investor owns less than 10% of the units in the Funds. If the non-resident investor owns more than 10% of units in the Funds then any capital gains or losses on the redemption of units in the Funds will only be taxable in Australia where at least 50% of the sum of the market values of the assets of the Funds consists of taxable Australian real property. If an investor owns more than 10% of the units in the Funds, the Responsible Entity will provide the investor with further information regarding the underlying assets of the Funds to assist in determining whether any potential Australian tax liability may arise.

Goods and Services Tax (GST)

Fees paid by the Funds to the Responsible Entity will be subject to GST. The Funds should be entitled to claim reduced input tax credits for 75% of the GST component on most, if not all, of the fees paid by the Funds. GST will not be payable on any units issued by the Funds or any distributions made by the Funds to unit holders because these are regarded as input taxed supplies for GST purposes. All taxable supplies the Funds may make will incur GST and the Funds will have to account to the ATO for any GST payable. Any expenses the Fund incurs in the operation of its business may attract GST and the Fund may be able to claim reduced input tax credits on certain transactions.

Investment Team

Robert Frost (B.Com., LLB)

Robert was appointed head of Small to Mid-Cap Investments in 2009 and has been a Portfolio Manager since joining OC Funds Management in 2001. Robert has been instrumental in formulating OC Fund's investment philosophy and investment process which forms the backbone of the portfolio construction framework.

Prior to OC, Robert was a Senior Research Analyst with Austock Brokers specialising in small and mid-cap industrial companies. His responsibilities included business and industry analysis, financial modelling, and company valuation. Prior to that Robert worked in the derivative divisions at UBS in London and Rabobank in the Netherlands.

Sam Baillieu (B.Com.)

Sam is one of the founders of OC Funds Management and has been a Portfolio Manager since inception. Aside from his responsibilities as a Portfolio Manager, Sam is responsible for the strategic direction of OC Funds Management.

Sam has over 11 years experience in corporate finance, private equity, venture capital and property operations. Sam began his investment career in the research department of E.L. & C. Baillieu Stockbroking before leaving to pursue private equity interests which culminated in the founding of OC Funds Management.

Stephen Sedgman (B.Com.)

Stephen is the founder and head of OC Managed Accounts Pty Ltd (formerly Patriot Managed Accounts Pty Ltd). Stephen was also the co-founder of Patriot Asset Management Limited and Chairman of its Group Investment Team from July 2005 until the sale of the business in April 2010. In that period, Stephen led the investment team which achieved top level investment performance.

In 1985, Stephen established SPAL Management in partnership with merchant bank, Security Pacific. At the end of 1987, SPAL was the top performing pooled superannuation manager with a two-year compound annual return of 29%.

In 1982, Stephen was appointed Group Investment Manager of the Australian Eagle Insurance Group and took over responsibility for the Eagle Entrepreneur

Fund. During Stephen's tenure from 1982 to 1985 it was the top performing fund by a substantial margin on the annual Campbell & Cook (now Mercer) Survey. Prior to 1982 Stephen was a Portfolio Manager for National Australia Bank and Investment Manager for the Chamber of Manufactures Insurance Company.

Robert Calnon C.A. (B.Com.)

Rob Calnon joined OC Funds Management as an Equities Dealer/Investment Analyst in 2007 and was promoted to Portfolio Manager in 2009. As part of the investment team, Rob has responsibility for specific industry sectors and analysis of individual stock positions. Rob performs in-depth analysis and financial modelling of stocks based on company visits and reports, industry statistics, broker research and other information. Additionally, Rob is the equities dealer for the Premium, Dynamic and Concentrated Equity Funds.

Rob is a chartered account who qualified in KPMG's Melbourne tax practice before moving to Sydney with Ernst & Young Corporate Finance where he was a Manager in the Mergers and Acquisitions division. Prior to joining OC Funds, Rob spent 3 years with the Bank of New York in London as its Manager in Investment Accounting division.

Stephen Evans C.A. (B.Com.)

Stephen joined OC Managed Accounts Pty Ltd (formerly Patriot Managed Account Pty Ltd) in April 2004 as an Investment Analyst, bringing with him significant financial analysis and modelling skills developed in the funds management and broking industry including as a research assistant at E.L. & C. Baillieu Stockbroking. Stephen has been instrumental in the design and construction of OC's IT framework which facilitates the various stages of the investment process from the initial screening of stocks to the final monitoring of the portfolio.

After attaining his CA qualification, Stephen spent two years in London with the world's largest listed hedge fund manager, Man Investments. This provided him with experience of complex product structuring, risk and investment systems and large scale funds management. Whilst at E.L. & C. Baillieu Stockbroking, Stephen undertook both in-depth statistical market modelling based on trend analysis, and provided financial modelling and research assistance for broker research and significant corporate transactions.

Directors

Details of OC's directors can be obtained from OC's website at www.ocfunds.com.au. A printed copy of this information is also available to investors free of charge if requested.

Additional Information

Responsible Entity

The Responsible Entity for each of the Funds is OC Funds Management. The overriding responsibility of the Responsible Entity is to administer and manage the Funds. In exercising its powers and duties, the Responsible Entity must, amongst other things:

- act honestly and in the best interest of unit holders, exercising the degree of care and diligence that a reasonable person would exercise if they were in the Responsible Entity's position;
- ensure that the property of a Fund is held separately from the property of the Responsible Entity and property of any other fund;
- ensure that Fund property is valued at regular intervals; and
- comply with the relevant Fund's Compliance Plan and Constitution.

The Responsible Entity may retire or be required to retire if, amongst other things, unit holders vote for its removal or the Responsible Entity is placed in liquidation or has a receiver appointed to it.

Custodian

National Australia Bank Limited (ABN 12 004 044 937 AFSL 230686) is Custodian of the Funds. It holds the assets of the Funds on behalf of OC Funds Management, determines the value of the assets and is responsible for their safe custody in each Fund. The Custodian also provides administration and unit registry services for the Funds. The statements in this PDS relating to the Custodian have been based on statements made by the Custodian. National Australia Bank Limited has consented to these comments in the form and context in which they are included in this PDS and has not withdrawn this consent before the date of the PDS.

Constitutions

Each of the Funds is governed by a Constitution and the Corporations Act. Each Constitution binds the Responsible Entity and the unit holders of the relevant Fund. The Constitutions and the Corporations Act set out the conditions under which the Funds operate and outline the rights, responsibilities and duties of the Responsible Entity and the unit holders. In addition, the Constitutions set out each Fund's authorised investments.

The Responsible Entity may alter the Constitution of a Fund in accordance with the requirements in the Corporations Act. Where the Responsible Entity reasonably considers that the alteration will adversely affect unit holders' rights, unit holder approval by 75% resolution of unit holders is required.

The Constitution of each Fund may be inspected at OC's office during normal business hours. A unit holder of a Fund is entitled to receive a copy of the Constitution of the Fund upon request.

Compliance Plans

Each Fund is governed by a Compliance Plan that describes procedures which OC determines as adequate to comply with each Fund's Constitution and the Corporations Act. A copy of each Compliance Plan has been lodged with ASIC and may be updated periodically.

The Compliance Plan of each Fund may be inspected at OC's office during normal business hours. A unit holder of a Fund is entitled to receive a copy of the Compliance Plan of the Fund upon request.

Auditor

The auditor of each Fund is a partner of Ernst & Young whose principal office in Victoria is at 8 Exhibition Street, Melbourne. Under the Corporations Act, an auditor of the Compliance Plan for each Fund must also be appointed. The auditor of the Compliance Plan for each Fund is a partner of Ernst & Young other than the auditor of the Funds and the Responsible Entity.

Additional Information continued

Nature of units

Each unit held by a unit holder in a Fund gives the unit holder a beneficial interest in that Fund as a whole, but not an interest in any particular asset or investment of the Fund.

Holding units in a Fund does not give a unit holder the right to participate in the management or operation of the Fund.

Unit holders have the right to:

- participate in distributions of capital and income (if any) from a Fund;
- attend and vote at meetings of a Fund (and to call meetings of a Fund in certain circumstances);
- transfer units in a Fund in a manner prescribed by the Responsible Entity of the Fund;
- have complaints handled in accordance with the complaints handling procedures set out in the constitution of the relevant Fund; and
- receive financial statements.

Interests of Directors

As at 9 December 2010, all of the directors hold shares directly or indirectly in OC and units in the Funds.

Reporting to unit holders

Unit holders receive confirmation of their applications for units and redemptions of units, access to the OC online system, a monthly newsletter, a Quarterly Investment Review ('QIR'), income and distribution statements and a copy of the annual accounts and audit report of the Fund in which the unit holder has invested (if requested on the application form). The QIR may include such information as the unit prices, current investments held by the relevant Fund, companies OC has met with over the quarter and general investment commentary.

Please note email is the preferred method of communication for OC.

Email enables us to communicate reliably, promptly, and cost-effectively with unit holders. We would encourage you to provide your email address to us at the time of application. If at any time you no longer wish to receive emails from us, please send an email to us at mail@ocfunds.com.au and we will arrange for your removal from our distribution lists.

Cooling off period

Investors who are 'retail clients' (as defined in the Corporations Act) have a 14-day 'cooling off' period after making an application for units in the funds during which time they may cancel their investment by notifying OC in writing or electronically. This cooling off period will commence from the earlier of:

- the investor's receipt of confirmation of their investment; and
- the end of the fifth day after the issue of units to the investor.

If an investor cancels their investment during this period the amount repaid to them is adjusted to allow for market movements, reasonable administration and transaction costs and any relevant taxes or duties.

Investments pursuant to a distribution reinvestment plan or savings plan are not subject to the cooling off provisions.

Indirect investors should contact their master trust or wrap account operator about any right to cooling off.

Complaints procedures

OC has a complaints resolution procedure and is a member of the Financial Ombudsman Service Limited (FOS) ABN 67 131 124 448.

If you have a complaint about the investment service provided to you, or for financial loss resulting from a breach of duty or ethics by OC, you should take the following steps:

Contact OC on **(+613) 9602 3199** or put your complaint in writing and send it to
OC Funds Management
PO Box 572, Collins Street West
Melbourne VIC 8007

The following procedure will then be followed by OC in response to your complaint:

1. Any person who contacts OC or lodges a complaint will be directed to the Complaints Officer.
2. All complaints must be investigated and documented on a "Complaints Report".
3. On receipt of a written complaint, the Complaints Officer will promptly reply in writing (generally within 7 business days and no later than 30 days) acknowledging receipt of the complaint.
4. The Complaints Officer will immediately investigate the complaint and if necessary correspond directly with the complainant in relation to the disputed matter.
5. The Complaints Officer will, within 30 business days of receipt of the notice of dispute from the complainant, finalise his/her investigation of the dispute and report their decision in writing to the person.

In addition to the complaints resolution procedure facilitated by OC, all unit holders have direct access to FOS for any complaint they have in respect of the Funds. There is no cost to a unit holder in making an application or complaint to FOS.

FOS can be contacted in writing at GPO Box 3 Melbourne VIC 3001, by telephone on 1300 780 808, by fax on **(+613) 9621 2291**, or email membership@fos.org.au.

Privacy

OC values its clients' privacy and is committed to protecting your personal details.

OC only collects information that is required for performing functions in respect of its Funds. OC may disclose personal information to third parties for certain purposes such as bulk mailing of information related to your investment in the Funds, information technology support and administration. We may also disclose your information to organisations such as the Australian Tax Office, accountants, auditors, legal advisers and other professionals.

In the future, we may contact you about new products or special offers provided by OC. If, at any time, you do not want to receive this information, you can opt out by contacting us at mail@ocfunds.com.au or on **(+613) 9602 3199**.

If you wish to obtain access to the personal information OC holds about you, or have concerns about its completeness or accuracy, please contact us at mail@ocfunds.com.au or on **(+613) 9602 3199**.

By making an investment in the Fund, you agree to the collection, use and disclosure of your personal information as set out above.

Anti-Money Laundering and Counter Terrorism Financing Act ('AML/CTF Law')

OC is required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act ('AML/CTF Law'). This means that OC may need to obtain additional identification information when you purchase units in the Fund and when undertaking transactions in relation to your investment.

OC may need to identify:

- an investor (including all investor types noted on the Application Form) prior to purchasing units in the Fund. OC will not issue units until all relevant information has been received and your identity has been satisfactorily verified;
- your estate – if you die while you are the owner of units in a Fund, OC may need to identify your legal personal representative prior to redeeming units or transferring ownership; and
- anyone acting on your behalf, including your power of attorney.

In some circumstances, OC may need to re-verify this information.

Please note that OC will hold your application and money for a period of seven business days before returning it if the AML/CTF Law information is not supplied. Cheques will not be cashed and bank account deposit details will not be supplied until all relevant information has been received by OC. For more information please contact OC.

Additional Information continued

OC will not accept or process your application until we have all required documentation under AML/CTF Law and we are satisfied all client identification procedures that we consider necessary to satisfy our obligations under that law have been completed.

We reserve the right not to accept (wholly or in part) any application for any reason or without reason. If we refuse to accept an application, any funds received from you will be returned to you without interest.

By applying to invest in the Fund, you also acknowledge that we may decide to delay or refuse any request or transaction, including by suspending the issue or redemption of units in the Fund, if we are concerned that the request or transaction may breach any obligation of, or cause us to commit or participate in an offence under any AML/CTF Law, and we will incur no liability to you if we do so.

Discretions policy

Generally, any discretion regarding pricing must be disclosed in the PDS or on the OC website. The Constitution provides that the pricing of units includes a discretionary element, being the Responsible Entity's estimate of transaction costs (ie. expenses which would have been incurred as if all the assets of the Fund had been purchased or acquired on the day of the valuation).

In compliance with ASIC Class Order 05/26, the Responsible Entity has a unit pricing policy which sets out guidelines as to how the Responsible Entity will exercise this discretion. This policy is available on the OC website (www.ocfunds.com.au) and applicants may obtain a copy of this policy at no charge by contacting OC.

Electronic Product Disclosure Statement

This PDS is available electronically on the internet and may be downloaded from the OC website at www.ocfunds.com.au

If an investor obtains a copy of this PDS by electronic means, the investor should ensure that the complete electronic PDS and application form have been received. If an investor is unsure about the completeness of the document received, the investor should contact OC.

A printed copy of this PDS is also available to investors free of charge. Investors should contact OC to obtain a printed copy of this PDS.

Labour standards and environmental, social and ethical considerations in investment decision making

The investment process employed by OC in its management of the Funds does not take into account labour standards or any environmental, social or ethical considerations for the purpose of selecting, retaining or realising the investment.

Glossary

Administration fee	This is the fee for general administration of the Fund and covers custody, audit, legal and compliance, accounting and taxation and ASIC fees.
AFS Licence	An Australian financial services licence under section 913B of the Corporations Act that authorises a person who carries out a financial services business to provide financial services.
Alpha Plus	Means investments where the Fund is expected to be rewarded with a higher return for accepting a higher level of risk.
Annualised return	Means the increase in the unit price of a Fund at any particular point in time when compared with the unit price of a Fund as at 30 June in the previous financial year, after distributions.
Application price	Unit price plus 'Buy/sell spread'.
ASIC	Australian Securities & Investments Commission.
ASX	Australian Securities Exchange Limited.
Auditor	The Auditor of the Funds. The initial and current auditor of the Funds is a partner at Ernst & Young.
Benchmark	A market measurement, such as an index, which is used by managers and investors as a guide to assess the risk and performance of a given portfolio.
Benchmark unaware	The manager does not focus on a particular benchmark when constructing and managing a portfolio. The manager may take advantage of investing in securities outside the index, where they believe returns to be higher than where they typically invest.
Business day	A day other than a Saturday or Sunday on which banks are open for general banking business in Sydney and Melbourne.
Buy/sell spread	This pricing spread reflects the costs of investing in or redeeming an investment from a fund. This spread covers transaction costs incurred in buying and selling assets such as brokerage, government taxes/duties/levies and bank charges.
Capital account	Where an investment is held on capital account any disposal of the investment resulting in gains will be taxed as capital gains (rather than ordinary income).
Compliance Plan	Document that details how the Responsible Entity will comply with a Fund's Constitution and the Corporations Act.
Constitution	The constitution sets out the rules that apply to the Fund.
Corporations Act	The Corporations Act 2001 (as amended) and includes regulations made for the purposes of the Act.
Discounted capital gain	Where an investment has been held for at least 12 months, any assessable capital gain is determined by taking one-half of the value of the net realised proceeds of the investment less the cost of its acquisition.
Distribution	Payment at the end of a period to unit holders of the net income of the Fund and net capital gain realised by the Fund in the period immediately preceding payment.
Excess Performance	The amount by which the annualised return exceeds the Performance Hurdle.
Franking credits	Franking credits are income tax credits that a corporate tax entity can pass on to its shareholders (generally the payment of franked dividends). As no tax is paid by the Funds, all franking credits received by the Funds are passed on to unit holders.
Fund	Means either the OC Premium Equity Fund or the OC Dynamic Equity Fund.

Glossary continued

High-water mark	The unit price the last time a Performance Fee was paid to OC.
Investment universe	Sets out the parameters for which a fund can invest in.
Lock-up period	A period during which units may not be redeemed.
Long only	Is defined as a manager who seeks to purchase undervalued securities or securities likely to appreciate.
Management Cost	Is defined as the approximate fees and costs for managing your investment which includes the administration fees and the management fees.
Management Fee	The fee charged by a manager for managing and administering a managed fund.
OC online system	Website access displaying current portfolio value, transaction history, contact details, OC in the news and all forms.
Price earnings ratio (P/E)	The most common measure of how expensive a stock is. The P/E ratio is equal to a stock's market capitalisation divided by its after-tax earnings over a 12-month period.
Performance Hurdle	The unit price that annualised returns must exceed before the Performance Fee becomes payable. The Performance Hurdle for the Funds is currently the higher of: a) an annualised increase of 15% of the unit price as at 30 June in the previous financial year; and b) an annualised increase of 15% of the unit price of the previous high-water mark.
Prevailing asset value	Means the total value of the Fund calculated according to the valuation methodology and after deducting the expenses and liabilities of the Fund, including any accrued Management, Administration and Performance Fees.
Redemption price	Unit price minus 'buy/sell spread'.
Responsible Entity	A licensed entity or body that operates a managed investment scheme. The Responsible Entity for the Funds is OC Funds Management (ACN 092 872 056).
Revenue account	Where any investment is held on revenue account any disposal of the investment resulting in gains will be taxed as ordinary income (rather than capital gains).
RITC	Reduced Input Tax Credits. OC will apply for reduced input tax credits where applicable to reduce the impost of GST on the Funds
Small to mid cap	Small to mid capitalisation stocks mean any stocks outside the ASX top 100 stocks by market capitalisation.
Unit	Means a unit in a Fund.
Unit price	The value of a unit in a Fund at any given time calculated by dividing the prevailing asset value by the number of units on issue.
Valuation methodology	The methods adopted from time to time by OC to determine the value of a unit.
Volatility	The extent of fluctuation in share prices, exchange rates and interest rates. The greater the volatility, the less certain an investor is of returns, and hence volatility is a measure of risk.

OC Premium Equity Fund and Dynamic Equity Fund Application Form

Application Process

- Step 1** Complete Sections 1 to 3 of the Application Form.
- Step 2** Read and Sign Section 4 – Declaration and Signatures.
- Step 3** Complete Section 5 – Identification Documents.
- Step 4** Complete Section 6 if you require a monthly savings plan.

SECTION 1: INVESTOR TYPE

Are you an existing investor with OC Funds Management? Yes No (Go to Section 2)

If Yes, please provide investor number:

Note: For existing investors, please complete Sections 1, 3B, 3C and 4. If your details have changed, please complete Section 3A of the Application Form.

SECTION 2: APPLICANT DETAILS

Please indicate who is making the investment:

Investor Type:	Go to	Page
<input type="checkbox"/> Individual/Joint	Section 2A	33
<input type="checkbox"/> Company	Section 2B	34
<input type="checkbox"/> Trust/Superannuation Fund with Individual Trustee	Sections 2A and 2C	33 and 34
<input type="checkbox"/> Trust/Superannuation Fund with Corporate Trustee	Sections 2B and 2C	34

If you do not fall into any of the above categories, or have a TFN exemption, please complete Sections 1, 3 and 4 of this Application Form, and contact us on 1800 442 129 for the relevant Section 2 that is applicable to you.

Section 2A: Individual/Joint Investors/Individual Trustee

Individual/Joint Applicant 1:

Title Mr Mrs Miss Ms Other **D.O.B** / /

Surname

Given names

Are you an Australian tax resident? Yes No **TFN/ABN or exemption** (for Australian residents)

Residential address

City, Suburb or town

State

Postcode

Without your TFN, or exemption, withholding tax will be deducted from your distributions at the highest marginal rate (plus Medicare Levy).

Individual/Joint Applicant 2:

Title Mr Mrs Miss Ms Other **D.O.B** / /

Surname

Given names

Are you an Australian tax resident? Yes No **TFN/ABN or exemption** (for Australian residents)

Residential address

City, Suburb or town

State

Postcode

Without your TFN, or exemption, withholding tax will be deducted from your distributions at the highest marginal rate (plus Medicare Levy).

Individual/Joint Applicant 3:

Title Mr Mrs Miss Ms Other **D.O.B** / /

Surname

Given names

Are you an Australian tax resident? Yes No **TFN/ABN or exemption** (for Australian residents)

Residential address

City, Suburb or town

State

Postcode

Without your TFN, or exemption, withholding tax will be deducted from your distributions at the highest marginal rate (plus Medicare Levy).

All investors – please proceed to Section 3.

Section 2B: Company/Corporate Trustee

Full company name

ACN or ABN (if any) **Tax File Number**

Without your TFN, or exemption information, withholding tax will be deducted from your distributions at the highest marginal rate (plus Medicare Levy).

Country of residence (not required for Individual Trustee or Partner)

Persons receiving the PDS within Australia, but being a non-resident for tax purposes, should state their country of residence for tax purposes.

Are you investing in the capacity of a Trustee? Yes No

Contact name

Nature of business

Is the company registered by ASIC as a proprietary company or public company?

Proprietary company (Please complete the following)

Names of each Director

The name and address of each beneficial owner who owns through one or more shareholdings more than 25% of the issued capital of the company. (Complete Section 2A and tick this box.)

Public company

Account designation

Account designation if desired (eg. <Portfolio #1> or <Kids Education Account)

All investors – please proceed to Section 3.

Section 2C: Trust/Superannuation Fund

Full name of Trust/Superannuation Fund

TFN or ABN (if any)

Without your TFN, or exemption information, withholding tax will be deducted from your distributions at the highest marginal rate (plus Medicare Levy).

Please indicate type of Trust

Category A: Registered managed investment scheme

ARSN

Category B: Regulated trust (e.g. self-managed superannuation fund)

ABN Registration/licensing details

Category C: Other trust type

Trust description (e.g. family, unit, charitable)

Complete if the Trust falls under Category C

Do the terms of the trust identify the beneficiaries by reference to membership of a class? Yes No

If **YES**, please provide details of membership class(es) (e.g. Unitholders, family members of named person, charitable purposes)

If **NO**, please provide full names of all of the trust beneficiaries below: *(If there are more than beneficiaries, please write their full names on a separate page and attach to this Application Form)*

Beneficiary 1

Beneficiary 2

Beneficiary 3

Beneficiary 4

All other investors – please proceed to Section 3.

SECTION 3: GENERAL DETAILS

Section 3A: Investor Contact Details

Adviser details not accepted. Joint applicants will be assumed to be joint tenants unless otherwise specified.

Title	Mr <input type="checkbox"/>	Mrs <input type="checkbox"/>	Miss <input type="checkbox"/>	Ms <input type="checkbox"/>	Other <input type="text"/>	D.O.B	DD <input type="text"/>	/	MM <input type="text"/>	/	YYYY <input type="text"/>
Surname	<input type="text"/>										
Given names	<input type="text"/>										
Postal address (c/ - if applicable)	<input type="text"/>										
Suburb	<input type="text"/>					State	<input type="text"/>		Postcode	<input type="text"/>	
Country	<input type="text"/>										
Telephone (business hours)	(<input type="text"/>)	<input type="text"/>			(after hours)	(<input type="text"/>)	<input type="text"/>				
Mobile	<input type="text"/>					Facsimile	(<input type="text"/>)	<input type="text"/>			
Email	<input type="text"/>										

Section 3B: Investment Details

Please note that the minimum investment amount is \$20,000.

Premium Equity Fund \$ **Dynamic Equity Fund** \$

Allocation of distributors (please mark one box) Reinvest Direct Bank Deposit (complete Section 3C)

I/We wish to apply the above amount to Units at the prevailing application price.

Please indicate how payment will be made Electronic Funds Transfer Cheques (see below)

Application monies can be received electronically into the following account as cleared funds.

Bank/Institution NAB

BSB number 083 - 043 **Account number** 574393448

A/C name NCS Office Clearing Account OC Application Account

Please include investor number or surname as narration.

Please make cheques payable to: NCS Office Clearing A/C OC Application A/C

Please include investor name and address on the back of the cheque.

Please send cheque to: OC Funds Management, PO Box 572, Collins Street West VIC 8007

Section 3C: Bank Account Details for Distributions and Redemptions

Redemption and distribution (if applicable) payments are required to be paid into this bank account.

Distributions will be automatically reinvested unless otherwise nominated below.

Details of Bank or other Australian Financial Institution

Bank/Institution	<input type="text"/>										
Address	<input type="text"/>										
BSB number	<input type="text"/>		-	<input type="text"/>		Account number	<input type="text"/>				
A/C name	<input type="text"/>										

Section 3D: Annual Financial Report / Online Access

Online Access - Please tick box if you would like on-line access to your investment information via the OC Funds Management website. In order to provide you with your password we require a postal address which is not a third party (eg. Financial Adviser). If your postal address for all other OC correspondence is a third party then we require you to complete below with a direct postal address.

Please tick box if you wish to receive the OC Funds Management Annual Report. By ticking this box an electronic version will be sent to your email address as indicated in Section 3 of the application form. The annual report will also be published on our website at www.ocfunds.com.au

Postal address (not PO Box)	<input type="text"/>										
Suburb	<input type="text"/>					State	<input type="text"/>		Postcode	<input type="text"/>	
Country	<input type="text"/>										

SECTION 4: DECLARATION AND SIGNATURES

I/We acknowledge and declare that:

1. I/We agree to be bound by the constitution (as amended) lodged with ASIC on 19 November 2001 for the OC Premium Equity Fund or OC Dynamic Equity Fund, or both, whatever is applicable.
2. I/We acknowledge that I/we have carefully read the Product Disclosures Statement dated 9 December 2010 in its entirety.
3. I/We acknowledge that investments in the funds are subject to investment risk, including possible delays in repayment and loss of income or capital invested.
4. I/We acknowledge that OC does not guarantee the performance of the fund, nor any particular rate or return for the fund, nor repayment of capital from the fund.
5. I/We acknowledge that application monies will be held in a non interest bearing account until applied to the Fund or returned to me/us.
6. I/We authorise that OC can provide information on the status of my/our investment to my/our nominated financial adviser as set out in appointment of authorised nominees on page 37.
7. I/We hereby also agree to be bound by the terms and conditions of the additional investment arrangement as set out in the Product Disclosure Statement issued by OC.

AML/CTF Terms and Conditions

8. OC is required to comply with the AML/CTF Laws and I/we undertake to provide them with such additional information or documentation as may be requested of me, from time to time, to ensure compliance with such requirements.
9. By making this application and holding units in the Fund I/we acknowledge that I/we am/are not aware and have no reason to suspect that:
 - the money used to fund my/our investments in the fund(s) is derived from or related to money laundering, terrorism financing or similar activities; and
 - proceeds of my/our investment in the Fund(s) will fund illegal activities.

Signature of Applicant 1 **Date** / /

Print full name

Signature of Applicant 2 **Date** / /

Print full name

Signature of Applicant 3 **Date** / /

Print full name

Please tick if applicable:

I am a sole Director and Company Secretary of the company

For "non sole director" company holdings:

Any one Director to sign (Please tick this box if any one Director whose signature appears above is able to operate the investment account and bind the company for future transactions, including additional deposits and withdrawals); or

Two Directors to sign (please tick this box if the signatures of both Directors as shown above are required to be able to operate the investment account and bind the company for future transactions, including additional deposits and withdrawals); or

Director and Company Secretary to sign (Please tick this box if one Director and the Company Secretary whose signatures appear above, are able to operate the investment account and bind the company for future transactions, including additional deposits and withdrawals).

For joint account holdings:

Any one to sign (Please tick this box if any one investor is to be able to operate the investment account and bind the other investor for future transactions, including additional deposits and withdrawals); or

Any two to sign (Please tick this box if any two investors are to be able to operate the investment account and bind the other investor for future transactions, including additional deposits and withdrawals); or

All three to sign.

If no selection is made, "any one to sign" will be applicable.



Appointment of authorised nominee (OPTIONAL)

Please only complete this section if you wish to appoint an authorised nominee to act on your behalf, on the terms set out below. An authorised nominee must be at least 18 years of age.

I/We appoint:

Title Mr Mrs Miss Ms Other

Surname

Given names

[*] Please sign here

Signature

as my/our Authorised Nominee to do the following things in respect of my/our investment in the OC Premium Equity Fund or OC Dynamic Equity Fund:

- change my/our account details relating to my/our investments in the Fund(s);
- obtain details of my/our investments in the Fund(s);
- issue investment and/or redemption instructions on my/our behalf relating to my/our investments in the Fund(s); and
- issue instructions as to how my/our investment distributions are to be paid.

Investor 1: Please select one box Individual Non-corporate trustee Director Sole Director

[*] Please sign here

Date DD / MM / YYYY

Signature

Print name

Investor 2: Please select one box Joint investor 2 Non-corporate trustee Director

[*] Please sign here

Date DD / MM / YYYY

Signature

Print name

Adviser Stamp

<input type="text"/>	Adviser name	<input type="text"/>
	Adviser group	<input type="text"/>
	Adviser address	<input type="text"/>
		<input type="text"/>
	ABN	<input type="text"/>

SECTION 5: IDENTIFICATION DOCUMENTS

The following information and documents are required under the Anti-Money Laundering & Counter Terrorism Financing Act. We will not be able to process your application where the following information or documents are not provided. Also, we will not be able to honour a withdrawal request or pay out a distribution amount to you until you have complied with these requirements.

If you are an existing investor with OC, you are not required to provide us with the information below. If you are a new investor, please complete the section relevant to you as indicated below.

All documents must be certified, for a list of acceptable certifiers go to Section 6.

Investor Type:	Go to
<input type="checkbox"/> Individual/Joint	Section 5A below
<input type="checkbox"/> Company	Section 5B below
<input type="checkbox"/> Trust/Superannuation Fund	Section 5C below
<input type="checkbox"/> Are you a foreign registered or unregistered company? If so, please contact OC to discuss verification requirements.	

Section 5A: Individual/Joint Investors

Please provide a certified copy of one of the following documents along with your completed application form:

- Passport
- Drivers Licence

If you are unable to provide a certified copy of one of these documents, please indicate below. We will then contact you to discuss alternative documents which may be provided.

I am unable to provide a copy of a document listed above. Please contact me to arrange for alternative documents to be provided.

Section 5B: Company/Corporate Trustee

Please provide us with a certified copy of a document from the following.

- Certificate of registration or incorporation issued by ASIC

Section 5C: Trusts/Superannuation Funds

If you are investing on behalf a trust, please provide a:

- Certified copy of your trust deed (including all amending deeds). (The deed(s) may be provided to OC Funds Management within 30 days of completing the application form.)

CERTIFYING DOCUMENTS

Documents may only be certified by the following types of persons:

1. a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described)
2. a judge of a court
3. a magistrate
4. a chief executive officer of a Commonwealth court
5. a registrar or deputy registrar of a court
6. a Justice of the Peace
7. a notary public (for the purpose of the Statutory Declaration Regulations 1993)
8. a police officer
9. an agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public
10. a permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public
11. an Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955)
12. an officer with 2 or more continuous years of service with one or more finance companies (for the purpose of the Statutory Declaration Regulations 1993)
13. a finance company officer with 2 or more continuous years of service with one or more finance companies (for the purposes of the Statutory Declaration Regulations (1993)
14. an officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees; or
15. a member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership

SECTION 6: SAVINGS PLAN DIRECT DEBIT REQUEST (OPTIONAL)

Date / / Investment number

Request and Authority to debit the account named below to pay National Nominees Limited ACF OC Funds Management

Request and Authority to debit:

Surname or company name I/We,

Given names or ACN/ARBN

request and authorise National Nominees Limited ACF OC Funds Management [Debit User Identification Number 264006] to arrange, through its own financial institution, for any amount National Nominees Limited ACF OC Funds Management may debit or charge you to be debited through the Bulk Electronic Clearing System from an account held at the financial institution identified below and paid to the Debit User, subject to the terms and conditions of the Direct Debit Request Service Agreement and any further instructions provided below.

Insert the name and address of financial institution at which account is held:

Bank/Institution

Address

Suburb State Postcode

Insert details of account to be debited:

Account name

BSB number - Account number

The minimum amount to be debited at any one time is \$100.

Payment Details/Investment Amount

OC Premium Equity Fund \$ OC Dynamic Equity Fund \$

or The first debit may be made on / /

and at monthly intervals after that or Debits may be made fourteen days after the issue of a billing advice.

ACKNOWLEDGEMENT

By signing this Direct Debit Request you acknowledge having read and understood the terms and conditions governing the debit arrangements between you and National Nominees Limited ACF OC Funds Management as set out in this Request and in your Direct Debit Request Service Agreement.

[*] Please sign here

Date / /

Signature

Print full name

If signing for a company, sign and print full name and capacity for signing eg. director

Shareholder Address:

Suburb State Postcode

DIRECT DEBIT REQUEST SERVICE AGREEMENT

DEFINITIONS

Account means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

Agreement means this Direct Debit Request Service Agreement between you and us.

Banking day means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

Debit day means the day that payment by you to us is due.

Debit payment means a particular transaction where a debit is made.

Direct Debit request means the Direct Debit Request between us and you (and includes any form approved for use in the transitional period).

Transitional period means the period commencing on the industry implementation date for Direct Debit Requests (31 March 2000) and concluding calendar months from that date.

We or us means **National Nominees Limited ACF OC Applications Account** (the Debit User) you have authorised by signing a direct debit request.

You means the customer who signed the direct debit request.

Your financial institution is the financial institution where you hold the account that you have authorised us to arrange to debit.

1.0 DEBITING YOUR ACCOUNT

- 1.1 By signing a direct debit request, you have authorised us to arrange for funds to be debited from your account. You should refer to the direct debit request and this agreement for the terms of the arrangement between us and you.
- 1.2 We will only arrange for funds to be debited from your account as authorised in the direct debit request.
- 1.3 If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your account has or will be debited you should ask your financial institution.

2.0 CHANGES BY US

- 2.1 We may vary any details of this agreement or a direct debit request at any time by giving you at least fourteen (14) days' written notice.

3.0 CHANGES BY YOU

- 3.1 Subject to 3.2 and 3.3, you may change the arrangements under a direct debit request by contacting us on **(+613) 9602 3199**.
- 3.2 If you wish to stop or defer a debit payment you must notify us in writing at least (10) days before the next debit day. This notice should be given to us in the first instance.
- 3.3 You may also cancel your authority for us to debit your account at anytime by giving us (10) days notice in writing before the next debit day. This notice should be given to us in the first instance.

4.0 YOUR OBLIGATIONS

- 4.1 It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the direct debit request.
- 4.2 If there are insufficient clear funds in your account to meet a debit payment: **(a)** You may be charged a fee and/or interest by your financial institution; **(b)** You may also incur fees or charges imposed or incurred by us; and **(c)** You must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that we can process the debit payment.

- 4.3 You should check your account statement to verify that the amounts debited from your account are correct
- 4.4 If National Nominees Limited ACF OC Funds Management Applications Account is liable to pay goods and services tax ("GST") on a supply made in connection with this agreement, then you agree to pay **National Nominees Limited ACF OC Applications Account** on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

5.0 DISPUTE

- 5.1 If you believe that there has been an error in debiting your account, you should notify us directly on **(+613) 9602 3199** and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly.
- 5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3 If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding.
- 5.4 Any queries you may have about an error made in debiting your account should be directed to us in the first instance so that we can attempt to resolve the matter between us and you. If we cannot resolve the matter you can still refer it to your financial institution which will obtain details from you of the disputed transaction and may lodge a claim on your behalf.

6.0 ACCOUNTS

- 6.1 You should check: **(a)** With your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions; **(b)** Your account details which you have provided to us are correct by checking them against a recent account statement; and **(c)** With your financial institution before completing the direct debit request if you have any queries about how to complete the direct debit request.

7.0 CONFIDENTIALITY

- 7.1 We will keep any information (including your account details) in your direct debit request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.
- 7.2 We will only disclose information that we have about you: **(a)** To the extent specifically required by law; or **(b)** For the purposes of this agreement (including disclosing information in connection with any query or claim).

8.0 NOTICE

- 8.1 If you wish to notify us in writing about anything relating to this agreement, you should write to:

**PO Box 572 Collins Street West
MELBOURNE, VIC 8007**

- 8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the direct debit request.
- 8.3 Any notice will be deemed to have been received on the third banking day after posting.

Please send completed form to:

OC Funds Management PO Box 572 Collins St West Melbourne, VIC 8007

Telephone: (03) 9602 3199 or Freecall: 1800 442 129 | Facsimile: (03) 9642 0066 | Email: mail@ocfunds.com.au



Corporate directory

Responsible Entity

OC Funds Management
Level 33, 360 Collins Street
Melbourne VIC Australia 3000

or

PO Box 572, Collins Street West
VIC Australia 8007
T: (+613) 9602 3199 or 1800 442 129
F: (+613) 9642 0066
E: mail@ocfunds.com.au
W: www.ocfunds.com.au

Custodian and Administration Manager

National Australia Bank Limited
500 Bourke Street
Melbourne VIC Australia 3000

Auditor

Ernst & Young
8 Exhibition Street
Melbourne VIC Australia 3000



