

Thank you for requesting this Product Disclosure Statement from Funds Focus.

### ***Fee Reduction***

As highlighted within our offers page, whilst most managed funds typically pay an entry fee of up to 5%. Applications lodged through Wealth Focus will receive a rebate of up to 5% directly into your fund, providing you with more money in your fund.

### ***How to Apply***

Please have a read through the PDS and if you would like to invest the application pages can generally be found towards the back of the document. You will only need to send the application section back with a cheque/direct debit payable direct to the investment company (not ourselves). You should take note of any minimum investment amounts that may apply and proof of ID that is now required for the new Anti-Money Laundering regulations.

Then mail the completed application directly to us.

We will then check to ensure your form is completed correctly before forwarding your document on to the investment provider on your behalf.

Wealth Focus Pty Ltd  
Reply Paid 760  
Manly  
NSW 1655

Please note that we are unable to track applications mailed directly to the product provider and therefore cannot guarantee that your discounts have been applied in these instances.

Should you wish to take advantage of our free annual valuation and tax report for all your investments you should complete our broker nomination form for The Wealth Focus Investment Service.

Regards



**Sulieman Ravell**  
Managing Director



**Requirements for verifying your identity under the new Anti Money Laundering (AML)/Counter Terrorism Financing (CTF) Act**

The AML/CTF Act came into effect on the 12<sup>th</sup> December 2007. All financial planning and fund management companies are now required to collect, verify and store specific customer information before arranging investment services for a client. It is designed to prevent, detect and protect Australian business from money laundering and the financing of terrorist activities.

As such, we request that all new applications are sent with 'certified documentation'.

**We have found that the easiest way to provide the required documentation is to have a copy of your driving licence *or* passport certified by Australia Post or a Justice of the Peace (please see following page for a full list of individuals that can certify documentation).**

**Once this has been completed, under the current requirements we will not require you to send identification again.**

**What you need to do**

You will need to enclose a certified piece of photographic evidence or one piece of primary non-photographic evidence and one piece of secondary evidence (please refer to the Identification Form for document requirements), with your application form and post to us at the following address

**Wealth Focus Pty Ltd**

Reply Paid 760

Manly

NSW 1655

Please do not send us original driving licences or passports as these can very easily get lost in the post. Copies of documents can be certified by an authorised individual, they will need to sight and verify that the copy is a 'certified true copy', sign, date, print their name and list their qualification.

**ANTI-MONEY LAUNDERING REQUIREMENT FOR NEW APPLICATIONS  
IDENTIFICATION FORM A**

**GUIDE TO COMPLETING THIS FORM**

- Please contact us on 1300 55 98 69 if you have any queries.
- If you wish to apply in the name of a trust or company, please contact us for an alternative identification form.  
**SMSF's and retail superannuation applications do not need to provide ID** (an online check will be performed for SMSFs)

**Attach** a certified copy of the ID documentation used as proof of identity. ID enclosed should verify your full name; and **EITHER** your date of birth or residential address.

- Complete Part I (or if the individual does not own a document from Part I, then complete either Part II or III.)

**PART I – ACCEPTABLE PRIMARY ID DOCUMENTS**

	Select ONE valid option from this section only
<input type="checkbox"/>	Australian State / Territory driver's licence containing a photograph of the person
<input type="checkbox"/>	Australian passport (a passport that has expired within the preceding 2 years is acceptable)
<input type="checkbox"/>	Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person
<input type="checkbox"/>	Foreign passport or similar travel document containing a photograph and the signature of the person*

**PART II – ACCEPTABLE SECONDARY ID DOCUMENTS – should only be completed if the individual does not own a document from Part I**

	Select ONE valid option from this section
<input type="checkbox"/>	Australian birth certificate
<input type="checkbox"/>	Australian citizenship certificate
<input type="checkbox"/>	Pension card issued by Centrelink
<input type="checkbox"/>	Health card issued by Centrelink
	<b>AND ONE</b> valid option from this section
<input type="checkbox"/>	A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address
<input type="checkbox"/>	A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. <i>Block out the TFN before scanning, copying or storing this document.</i>
<input type="checkbox"/>	A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address)
<input type="checkbox"/>	If under the age of 18, a notice that: was issued to the individual by a school principal within the preceding 3 months; and contains the name and residential address; and records the period of time that the individual attended that school

**Who can verify customer identity documents?**

Please find below a list of all the Approved Individuals that can certify documents:

- **A Justice of the Peace**
- **An agent of the Australian Postal Corporation** who is in charge of an office supplying postal services to the public, or a permanent employee with more than two years continuous service (who is employed in an office supplying postal services to the public)
- A notary public (for the purposes of the Statutory Declaration Regulations 1993)
- 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)
- A judge, magistrate, registrar or deputy registrar of a court
- A chief executive officer of a Commonwealth Court
- A police officer
- An Australian consular or diplomatic officer (within the meaning of the Consular Fees Act 1955)
- An officer or finance company officer with two or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993)
- An officer with, or authorised representative of, a holder of an Australian Financial Services Licence, having two or more continuous years of service with one or more licensees, and
- A member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with more than two years continuous membership.

# Building Wealth Together

Prime Value offers two equity fund alternatives

- Prime Value Growth Fund
- Prime Value Imputation Fund

## Product Disclosure Statement

Prime Value Asset Management Limited



**PrimeValue**  
Building Wealth Together

## Prime Value Asset Management Limited

ABN 23 080 376 110

AFSL 222 055

Prime Value offers two equity fund alternatives

Prime Value Growth Fund (ARSN 102 420 388)

Prime Value Imputation Fund (ARSN 102 420 539)

## Product Disclosure Statement



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### IMPORTANT INFORMATION

Prime Value Asset Management Limited (ABN 23 080 376 110) (**Prime Value**) is the responsible entity of the Prime Value Growth Fund (ARSN 102 420 388) and the Prime Value Imputation Fund (ARSN 102 420 539) (**Funds**) and is the issuer of this Product Disclosure Statement (**PDS**).

The PDS is dated 17 August 2007.

The offer under this PDS is available to persons receiving the PDS (including electronically) within Australia. This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the units or the offer, or to otherwise permit a public offering in any jurisdiction outside Australia.

Applications for units can only be submitted on the original application form attached to and forming part of, or accompanying, this PDS or accompanied by an electronic version of this PDS.

None of Prime Value, its associates or directors guarantees the success of the Funds, the repayment of capital or any particular rate of capital or income return. Investment in the Funds is subject to investment and other risks.

This PDS contains important information and you should read it carefully. In preparing this document, Prime Value did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, investors should consider whether the investment is appropriate to their needs, objectives and circumstances. Investors are encouraged to obtain independent financial advice before making an investment decision.

## KEY FUND DETAILS

	DIRECT INVESTMENT (CLASS A UNITS)	INDIRECT INVESTMENT VIA IDPS OR IDPS – LIKE SCHEME (CLASS B UNITS)
Investment choice	Prime Value Growth Fund Prime Value Imputation Fund	Prime Value Growth Fund Prime Value Imputation Fund
Management fee	1.23% p.a. <sup>1</sup> of the net asset value of the relevant Fund (see Section 7)	1.025% <sup>2</sup> p.a. <sup>1</sup> of the net asset value of the relevant Fund (see Section 7)
Other management costs	Approximately 0.205% p.a. <sup>1</sup> reflecting administration costs (see Section 7)	Approximately 0.205% p.a. <sup>1</sup> reflecting administration costs (see Section 7)
Indirect Cost Ratio (ICR)	1.435% p.a. <sup>1</sup>	1.23% p.a. <sup>1,2</sup>
Performance fee	20.5% <sup>1</sup> of performance (net of management fees and administration costs) above the agreed benchmark <sup>3</sup> , subject to positive performance and high water mark (see Section 7)	20.5% <sup>1</sup> of performance (net of management fees and administration costs) above the agreed benchmark <sup>3</sup> , subject to positive performance and high water mark (see Section 7)
Benchmark	S&P/ASX 300 Accumulation Index	S&P/ASX 300 Accumulation Index
Minimum initial investment	\$40,000 <sup>4</sup>	N/A
Minimum additional investment	\$5,000 <sup>4</sup>	N/A
Contribution fee	Nil <sup>5</sup>	N/A
Withdrawal fee	Nil	N/A
Early withdrawal fee	2% <sup>6</sup>	N/A
Income distributions (if made)	30 June and 31 December	30 June and 31 December
Reporting to Investors	Half-yearly	N/A
Application/withdrawal	Any Business Day	Any Business Day
APIR Code	PVA0001AU (PVGF) PVA0002AU (PVIF)	PVA0011AU (PVGF) PVA0022AU (PVIF)
Unit prices	Available from Prime Value or at <a href="http://www.primevalue.com.au">www.primevalue.com.au</a>	Available from Prime Value or at <a href="http://www.primevalue.com.au">www.primevalue.com.au</a>

1 Unless otherwise stated, all fees quoted in this PDS are inclusive of GST, after allowing for an estimate for Reduced Input Tax credits (RITC).

2 Fees for indirect investments do not include the fees charged by the IDPS operator.

3 Benchmark refers to an index or measurement that is used by an investment manager to assess relative performance of an investment portfolio.

4 Prime Value reserves the right to accept less than the minimum investment or to reject an application in whole or in part.

5 While there are no establishment or contribution fees, if an investor is introduced by an adviser to the Funds, Prime Value may deduct up to 3% of the amount invested as an upfront adviser commission, as mutually agreed by the investor and their adviser.

6 Applies to investments of less than 12 months' duration to discourage short term investing. The Funds invest in a portfolio of equities designed to deliver returns over the medium to long term.

## Building Wealth Together

“The shareholders and the investment managers of Prime Value are cornerstone investors in the Funds. As fellow investors, we ourselves demand superior returns for accepting the investment risk – not just the average return of the market. This commitment ensures that there is a common objective aligned with that of the investors.”

### PRIME VALUE’S INVESTMENT PHILOSOPHY AND PROCESS IS GUIDED BY OUR UNDERLYING OBJECTIVES AND COMMITMENT TO OUR INVESTORS:

#### PERFORMANCE

We aim to achieve superior, long term, absolute returns in excess of the Australian markets. Prime Value has consistently achieved this since inception in April 1998.

#### SECURITY

In conjunction with our legal advisers, we will endeavour to continue to meet our obligations under the Corporations Act and our Australian Financial Services Licence. This includes a comprehensive compliance plan audited by an external auditor.

#### SERVICE

We will act in the best interests of our investors, with transparency in our dealings. We aim to provide information to investors in an accurate and timely manner.

#### STABLE AND ETHICAL TEAM

We aim to be a good steward and operate with integrity, with a highly qualified, experienced and stable team, and a simple and well-understood investment philosophy.

“**Building Wealth Together** is more than simply a slogan: it is a statement of our personal commitment and confidence, which has helped to drive our past and continuing success.”

## MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR

Dear Fellow Investor,

As a boutique investment company managing approximately \$325m in assets (as at 30 June 2007), we specialise in creating wealth for high net-worth individuals, private investors, select institutions and clients of financial advisers. Our aim is to produce superior, long term, absolute returns to investors, in excess of the performance of the Australian markets.

We offer two attractive choices for medium to long-term investment: the Prime Value Growth Fund, which aims to provide superior capital growth, and the Prime Value Imputation Fund, which aims to provide capital growth as well as regular, tax-effective income. We also operate Individual Managed Accounts for wholesale clients.

The depth and breadth of our investment expertise has produced superior performance relative to the overall market. Although past results are not necessarily indicative of future performance, both of our Funds have outperformed the S&P/ASX 300 Accumulation Index over the medium and longer term (see Section 2), and in both positive and negative market conditions.

In recognition of the success of our Funds, Prime Value was the winner of the Standard and Poor's "Boutique Fund Manager of the Year" award in both 2005 and 2006. The Prime Value Imputation Fund was also the winner of the Standard and Poor's "Australian Equities Fund of the Year" in 2005.

Successful investing can be likened to warfare. Although some individual battles may be lost, ultimate victory and success depends not on size but on strategy and tactics, minimising or avoiding mistakes, flexibility and the commitment and expertise of people. As you read this PDS, you will find that these attributes are what make Prime Value a very successful fund manager.

Our investment philosophy (see Section 5) provides a foundation for our investment strategies and tactics, and recognises that there needs to be a balance between wealth creation and wealth preservation. A key tenet of our philosophy is the principle of avoiding or minimising mistakes in order to maximise returns. This approach underpins our stock selection and portfolio strategy processes and, to a lesser extent, our use of market timing.

When evaluating investment opportunities, we focus on good companies selling below their intrinsic value. We look beyond fundamental analysis of the companies and broader economic and industry data; we get to know our investments, their people and their strategies.

As a measure of our confidence in the success of our strategies and tactics, we back our decisions with our own investments and share the risks and rewards along with our investors. The title of this document 'Building Wealth Together' is more than simply a slogan; it is a statement of our personal commitment and confidence, which has helped to drive our past and continuing success.

People and teamwork are essential to developing and implementing successful investment strategies and we are fortunate to be served by a team with many years of practical and successful investment expertise.

Our Board and investment team (see Section 4) are highly respected in the investment community and have ridden the roller coaster of market booms and busts, high and low inflation and fluctuating interest rates that have punctuated the past three decades.

Their experience in maximising returns, even in bad years, is reflected in our investment strategy and tactics. Our size gives us added flexibility to manoeuvre within changing markets and to seize opportunities quickly and successfully.

We commend this Offer to you and urge you to examine this PDS carefully. We are confident that you will see the benefits of trusting your investments with us... and join us in 'Building Wealth Together'.



**Alan G Haintz**  
Chairman



**Han K Lee**  
Managing Director

## 01 THE RESPONSIBLE ENTITY AND MANAGER

Prime Value is a public company limited by shares, which holds an Australian Financial Services Licence (AFSL No. 222055) that authorises it to operate each of the Funds.

Prime Value is the responsible entity of each of the Funds, currently Prime Value Growth Fund ("PVGf") and Prime Value Imputation Fund ("PVIF"). The roles of the Responsible Entity are to hold the property of the Funds on trust for the relevant investors and to operate the Funds in accordance with their respective constitutions, compliance plans and the requirements of the Corporations Act.

### Why has Prime Value been successful?

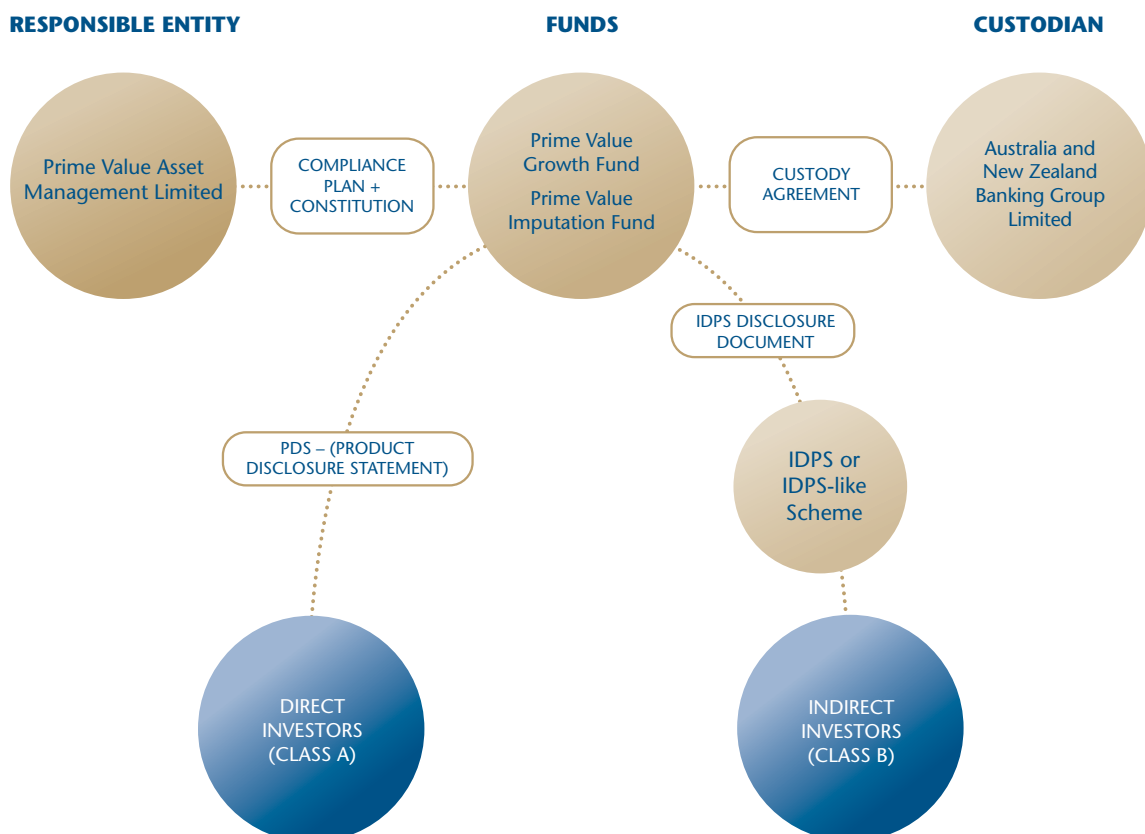
We believe that Prime Value is different from many fund managers because it combines the skill, expertise, experience and discipline of many larger managers with the flexibility and commitment of smaller, independently owned managers.

The investment team at Prime Value have extensive experience in the Australian equity market and have been able to demonstrate excellent performance over various stages of the economic cycle and trends in investment style biases.

Most importantly, as fellow investors in the Funds, the management team at Prime Value have a true alignment of interest with other investors. Our passion is on managing investment rather than gathering funds under management. This means a focus on absolute, after-tax performance and a clear priority of minimising mistakes. Prime Value is justly proud of its performance history and many awards, particularly winning the Standard and Poor's "Boutique Manager of the Year" in both 2005 and 2006. The PVIF also received the Standard and Poor's "Australian Equities Fund of the Year" 2005. Other awards include Prime Value being nominated as a finalist in the "Australian Equities" and "Rising Star" categories in the Money Management Fund Manager of the Year 2005 awards.

While performance and awards are obviously important, Prime Value remains focused on differentiating itself by delivering quality, personal service to its investors and by employing a stable team of highly qualified and experienced staff.

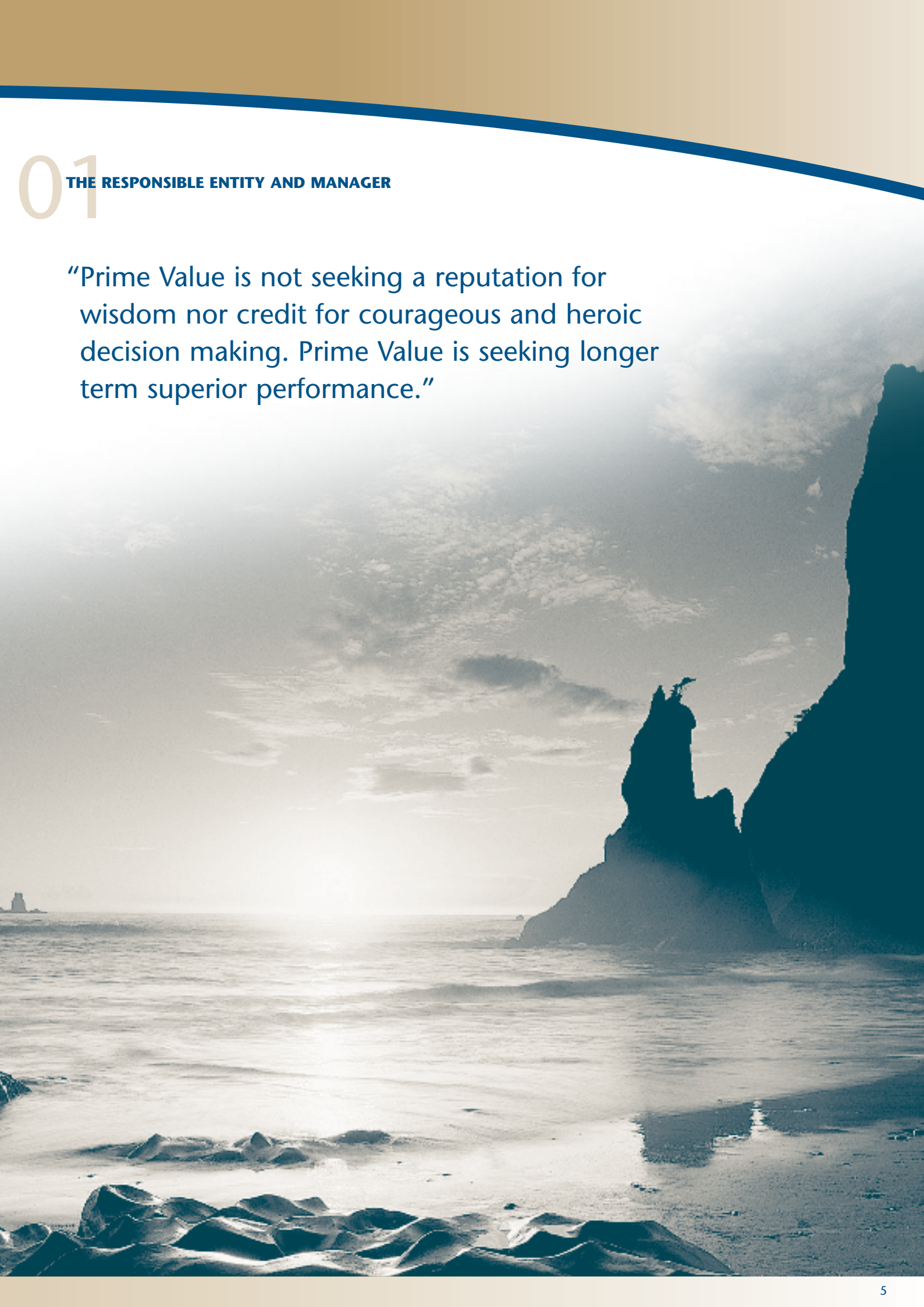
The diagram below provides a simple overview of the structure of the Funds only. For a more specific description, investors should carefully read Section 9.



# 01

## THE RESPONSIBLE ENTITY AND MANAGER

“Prime Value is not seeking a reputation for wisdom nor credit for courageous and heroic decision making. Prime Value is seeking longer term superior performance.”



## 02

### THE FUNDS PRIME VALUE GROWTH FUND (PVGF)

#### INVESTMENT OBJECTIVES

The PVGF aims to provide superior medium to long-term capital growth, with some income, by managing a portfolio of predominantly Australian equities listed on any recognised Australian stock exchange.

#### INVESTOR PROFILE

The PVGF is designed for an investor seeking medium to long-term capital growth, who is prepared to accept some fluctuations in short-term returns. This type of investment may be appropriate as a significant part of a properly diversified investment portfolio for individuals, companies, trusts, superannuation funds and non-profit organisations.

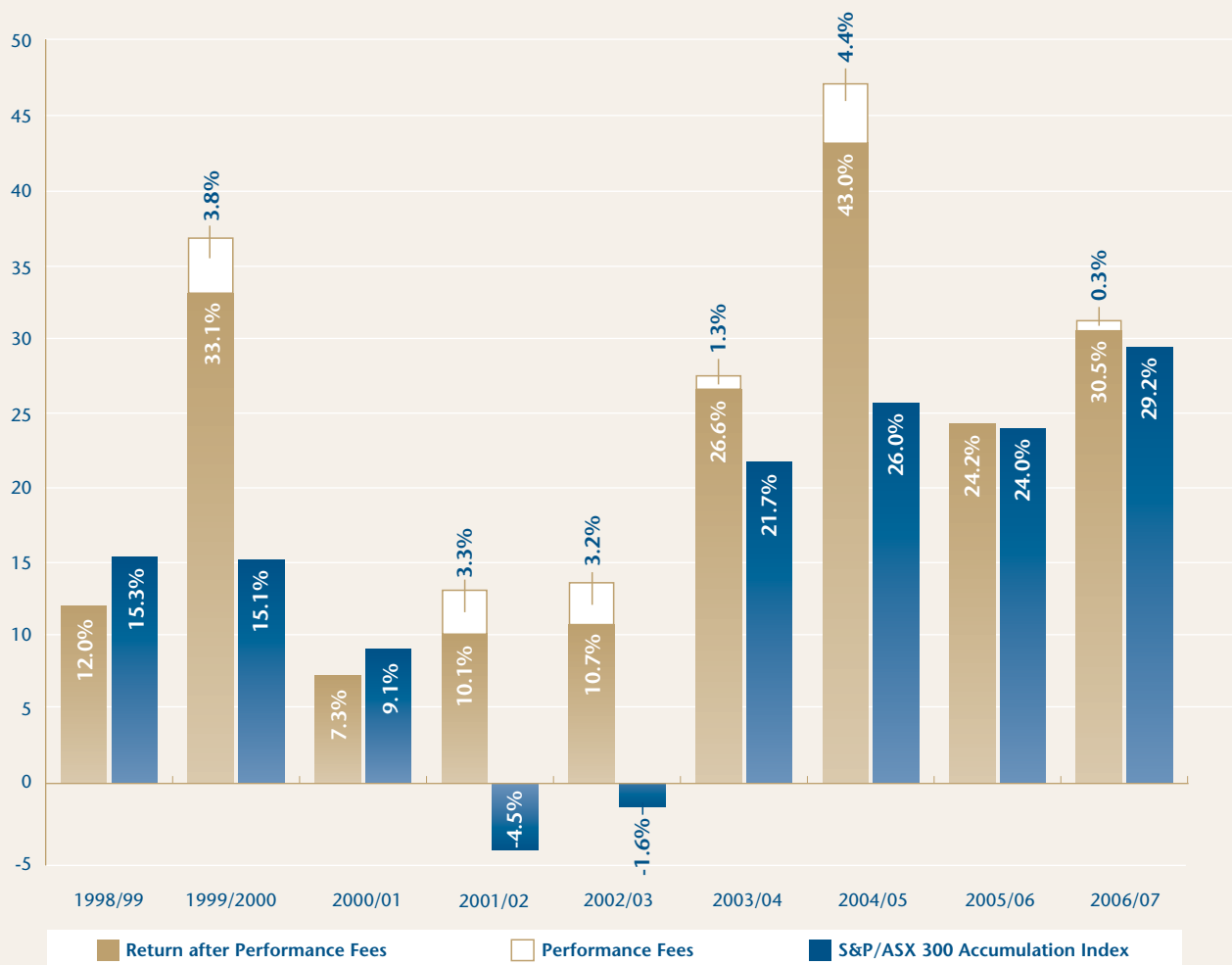
#### MINIMUM SUGGESTED TIME HORIZON

3 or more years. This time horizon is a general guide only and does not take into account investors' individual circumstances. Investors should seek professional advice to determine the appropriate investment period for the Fund.

#### INVESTMENT STRATEGY

The PVGF will be comprised of securities, primarily companies listed on an Australian stock exchange or due to be listed in the next 12 months. The Fund will normally have short term cash investments for liquidity management purposes and may have limited investment in fixed interest securities (see Section 5) and global equities, where appropriate.

**GRAPH 1**  
NET RETURN OF PVGF AND S&P/ASX 300 ACCUMULATION INDEX BY FINANCIAL YEAR



Net returns have been calculated after deducting management fees, administration costs and any applicable performance fees. The returns exclude the benefits of imputation credits.

Negative relative performance reduces the performance fees payable in the following performance period.

Returns are for Class A units. Please note that the past performance of PVGF is not necessarily an indicator of future performance.

# 02 THE FUNDS

## PRIME VALUE GROWTH FUND (PVGF)

### FUND HISTORY

The PVGF was established on 10 April 1998. The size of the Fund as at 30 June 2007 was \$191.0 million.

The PVGF has achieved a positive return in each of the past 9 financial years and has out-performed its benchmark in 7 out of the past 9 financial years (see Graph 1).

The PVGF has a remarkable performance track record since it was established on 10 April 1998. A notional \$100,000 invested at the Fund's inception had increased to \$639,600 (net of fees excluding performance fees) as at 30 June 2007. After performance fees, the amount

was approximately \$574,200. This compares very favourably with the return of the market, where a \$100,000 investment would have increased to \$320,400 over the same period (see Graph 2). The returns exclude the benefits of imputation credits.

The following table shows the performance of PVGF relative to the performance of the S&P/ASX 300 Accumulation Index to 30 June 2007.

The most recent PVGF information, including the latest monthly performance, is available at [www.primevalue.com.au](http://www.primevalue.com.au).

ANNUAL RETURN (before performance fees)*	1 Year	3 Year (pa)	5 Year (pa)	7 Year (pa)	Since Inception (pa)
Prime Value Growth Fund	30.8%	33.8%	28.4%	22.9%	22.2%
S&P/ASX 300 Accumulation Index	29.2%	26.4%	19.3%	14.1%	13.4%
Relative Performance to Benchmark (difference)	1.6%	7.4%	9.1%	8.8%	8.8%
Approximate Annual Return (after performance fees)#	30.5%	32.3%	26.5%	21.1%	20.4%

CUMULATIVE RETURN (before performance fees)*	1 Year	3 Year	5 Year	7 Year	Since Inception
Prime Value Growth Fund	30.8%	139.5%	249.1%	324.5%	539.6%
S&P/ASX 300 Accumulation Index	29.2%	102.0%	141.9%	151.9%	220.4%
Relative Performance to Benchmark (difference)	1.6%	37.5%	107.2%	172.6%	319.2%
Approximate Cumulative Return (after performance fees)#	30.5%	131.8%	227.1%	289.1%	474.2%

\* Performance figures have been calculated in accordance with IFSA Standard no 6.00, Product Performance-Calculation of Returns and IFSA Standard no 10.00, Presentation of Past Performance Information. The returns are for Class A units. The returns exclude the benefits of imputation credits. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance.

# Post-performance fee returns are an APPROXIMATION only, as performance fees are charged once each year on June 30 (or on withdrawal), against individual accounts.

Performance for Class B units is available from Prime Value.

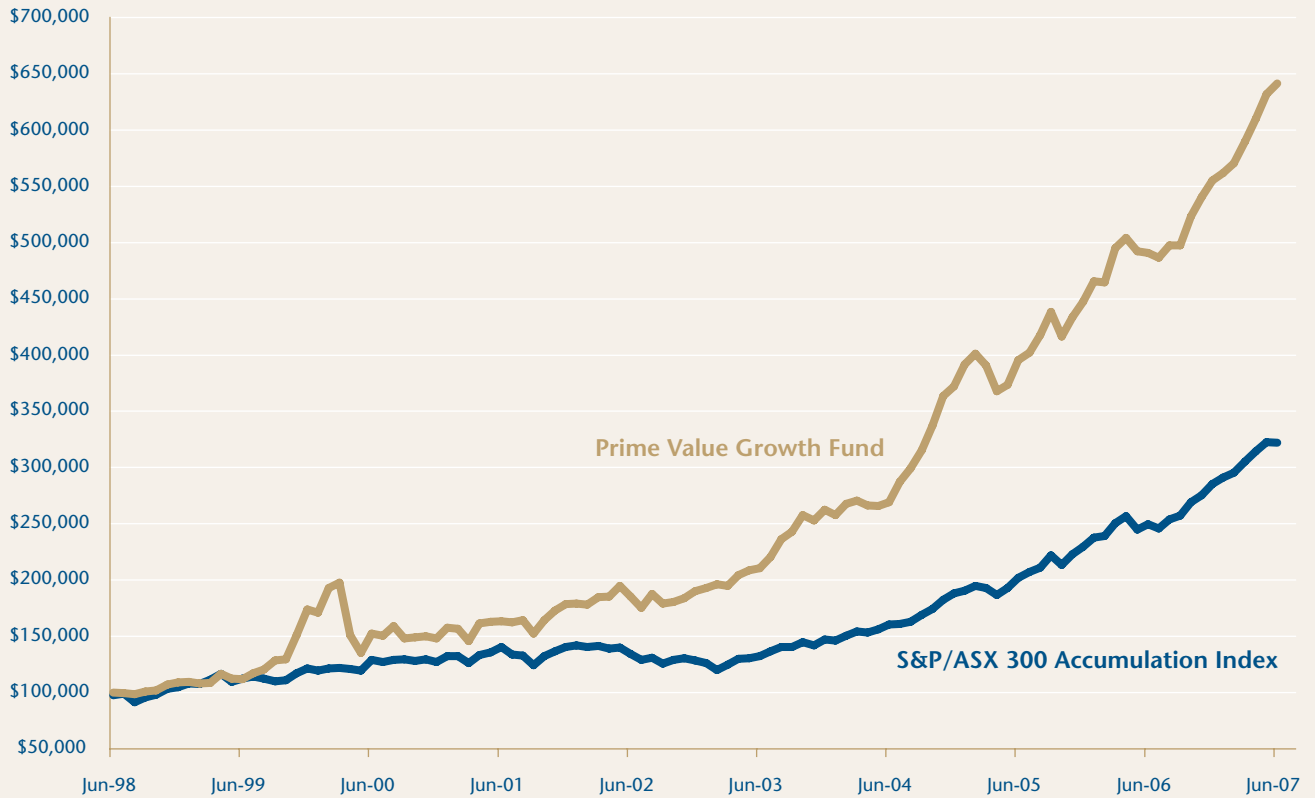
DISTRIBUTION HISTORY	2002/03	2003/04	2004/05	2005/06	2006/07
Distribution (per Unit)	\$0.0485	\$0.1676	\$0.1586	\$0.1097	\$0.1632
Distribution (% of Unit price)	3.7%	10.2%	7.2%	4.4%	5.4%
Imputation credit (per Unit)	\$0.0174	\$0.0187	\$0.0128	\$0.0143	\$0.0226
Franking level (%)†	83.7%	26.0%	18.8%	30.4%	32.3%

† The "franking level" is a measure of the grossed-up imputation credit relative to the total distribution made. Unlike the franking level of a company's dividend however, the "denominator" includes realised capital gains in addition to dividends. In times of strong capital growth, distributions are likely to be higher, and the "franking level" will be proportionately lower. This does not necessarily mean that dividends received were low or that they were not highly franked.

## 02

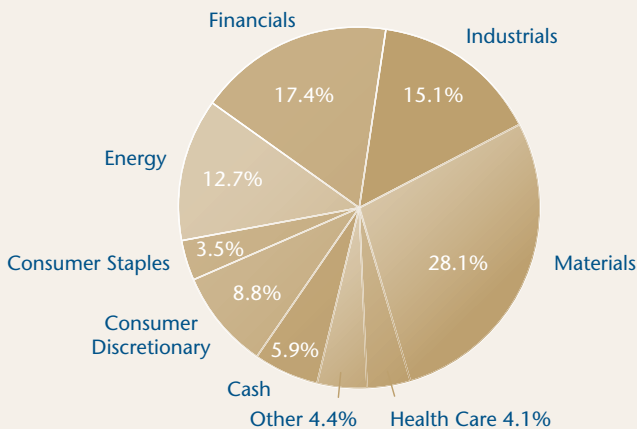
### THE FUNDS PRIME VALUE GROWTH FUND (PVGF)

**GRAPH 2**  
VALUE OF \$100,000 INVESTED SINCE INCEPTION (10 APRIL 1998 - 30 JUNE 2007)

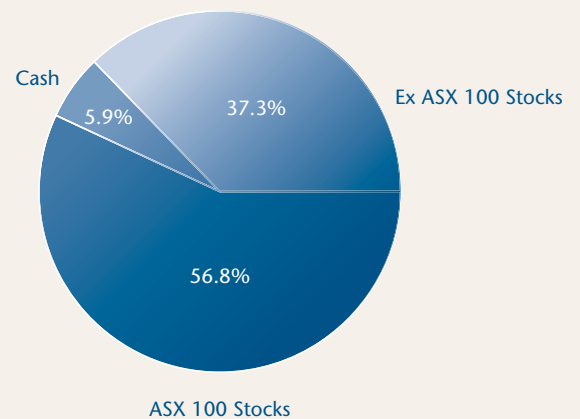


**GRAPHS 3 AND 4**  
BREAKDOWN OF THE HOLDINGS IN THE GROWTH FUND AS AT 30 JUNE 2007

**GRAPH 3 HOLDINGS BY SECTORS**



**GRAPH 4 HOLDINGS BY MARKET CAP**



# 02

## THE FUNDS PRIME VALUE IMPUTATION FUND (PVIF)

### INVESTMENT OBJECTIVES

The PVIF aims to provide capital growth over the medium to long-term, combined with regular tax-effective income, by managing a portfolio of assets comprised mainly of Australian equities listed on any recognised Australian stock exchange.

### INVESTOR PROFILE

The PVIF is designed for an investor seeking medium to long-term capital growth and regular income that includes imputation credits. Investors should be prepared to accept some fluctuations in short-term returns. This type of investment may be appropriate as a significant part of a properly diversified investment portfolio for individuals, companies, trusts, superannuation funds and non-profit organisations.

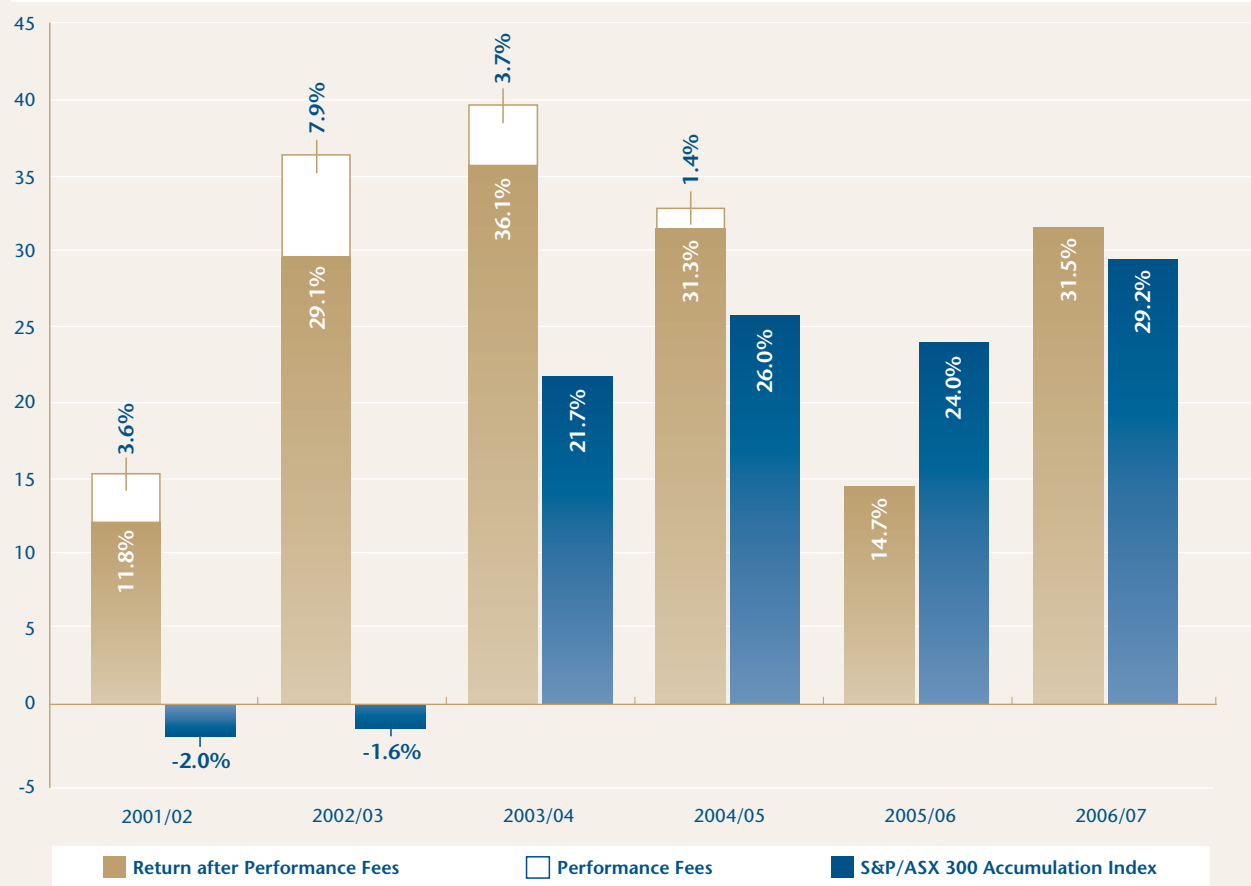
### MINIMUM SUGGESTED TIME HORIZON

3 or more years. This time horizon is a general guide only and does not take into account investors' individual circumstances. Investors should seek professional advice to determine the appropriate investment period for the Fund.

### INVESTMENT STRATEGY

The PVIF will be comprised of securities, primarily companies listed on an Australian stock exchange or due to be listed in the next 12 months. The Fund will normally have short term cash investments for liquidity management purposes and may have limited investment in fixed interest securities (see Section 5) and global equities, where appropriate. Due to the tax benefits under the current dividend imputation regime, the PVIF will typically have a core position of Australian equities with an attractive level of franked dividends.

**GRAPH 5**  
**NET RETURN OF PVIF AND S&P/ASX 300 ACCUMULATION INDEX BY FINANCIAL YEAR**



Net returns have been calculated after deducting management fees, administration costs and any applicable performance fees. The returns exclude the benefits of imputation credits.

Negative relative performance reduces the performance fees payable in the following performance period.

The net return for 2001/2002 is for the period 20 December 2001 to 30 June 2002 (not annualised).

Despite PVIF outperforming the benchmark in 2006/07, no performance fee is applicable until the 2005/06 underperformance is recovered (assuming an investment since inception of the fund). Otherwise the return after performance fees would be 31.0%.

Returns are for Class A units. Please note that the past performance of PVIF is not necessarily an indicator of future performance.

## 02 THE FUNDS PRIME VALUE IMPUTATION FUND (PVIF)

### FUND HISTORY

The PVIF was established on 20 December 2001.

The size of the Fund as at 30 June 2007 was \$124.9 million.

The PVIF has achieved a positive return in each of the past 5 financial years and has out-performed its benchmark in 4 out of the past 5 financial years (see Graph 5).

The Fund has a remarkable performance track record since it was established on 20 December 2001. A notional \$100,000 invested at the Fund's inception had increased to \$442,600 (net of fees excluding performance fees)

as at 30 June 2007. After performance fees, the amount was approximately \$400,500. This compares with the return of the market, where a \$100,000 investment would have only increased to \$237,000 over the same period (see Graph 6). The returns exclude the benefits of imputation credits.

The following table shows the performance of PVIF relative to the performance of the S&P/ASX 300 Accumulation Index to 30 June 2007.

The most recent PVIF information including the latest monthly performance is available at [www.primevalue.com.au](http://www.primevalue.com.au).

ANNUAL RETURN (before performance fees)*	1 Year	3 Year (pa)	5 Year (pa)	Since Inception (pa)
Prime Value Imputation Fund	31.5%	26.0%	30.8%	30.5%
S&P/ASX 300 Accumulation Index	29.2%	26.4%	19.3%	16.7%
Relative Performance to Benchmark (difference)	2.3%	-0.4%	11.5%	13.8%
Approximate Annual Return (after performance fees)#	31.5%	26.0%	28.5%	27.7%

CUMULATIVE RETURN (before performance fees)*	1 Year	3 Year	5 Year	Since Inception
Prime Value Imputation Fund	31.5%	100.2%	283.4%	342.6%
S&P/ASX 300 Accumulation Index	29.2%	102.0%	141.9%	137.0%
Relative Performance to Benchmark (difference)	2.3%	-1.8%	141.5%	205.6%
Approximate Cumulative Return (after performance fees)#	31.5%	100.2%	254.4%	300.5%

\* Performance figures have been calculated in accordance with IFSA Standard no 6.00, Product Performance-Calculation of Returns and IFSA Standard no 10.00, Presentation of Past Performance Information. The returns are for Class A units. The returns exclude the benefits of imputation credits. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance.

# Post-performance fee returns are an APPROXIMATION only, as performance fees are charged once each year on June 30 (or on withdrawal), against individual accounts.

Performance for Class B units is available from Prime Value.

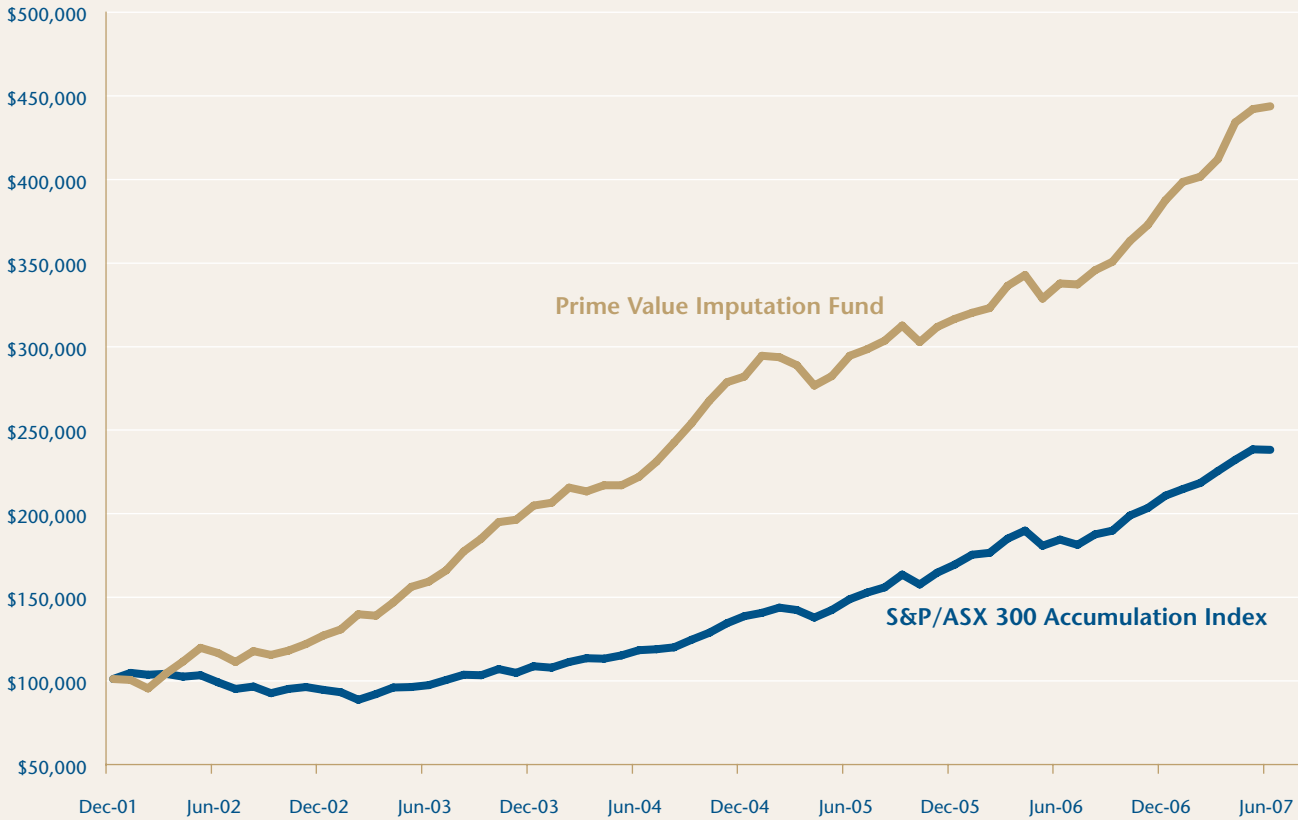
DISTRIBUTION HISTORY	2002/03	2003/04	2004/05	2005/06	2006/07
Distribution (per Unit)	\$0.1106	\$0.1911	\$0.1238	\$0.1536	\$0.1849
Distribution (% of Unit price)	7.3%	9.9%	5.1%	5.9%	6.0%
Imputation credit (per Unit)	\$0.0177	\$0.0303	\$0.0247	\$0.0273	\$0.0427
Franking level (%)†	37.3%	37.0%	46.6%	41.5%	53.9%

† The "franking level" is a measure of the grossed-up imputation credit relative to the total distribution made. Unlike the franking level of a company's dividend however, the "denominator" includes realised capital gains in addition to dividends. In times of strong capital growth, distributions are likely to be higher, and the "franking level" will be proportionately lower. This does not necessarily mean that dividends received were low or that they were not highly franked.

# 02

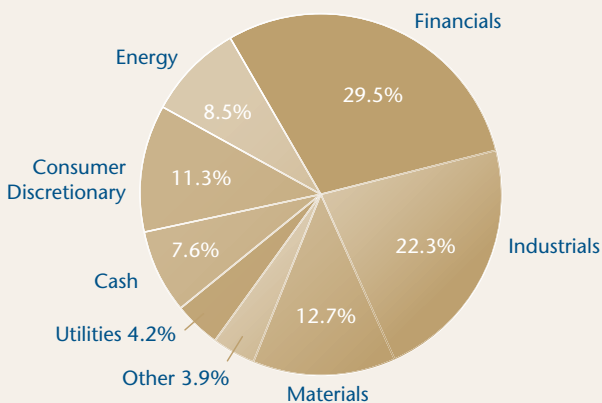
## THE FUNDS PRIME VALUE IMPUTATION FUND (PVIF)

**GRAPH 6**  
VALUE OF \$100,000 INVESTED SINCE INCEPTION (20 DECEMBER 2001 - 30 JUNE 2007)

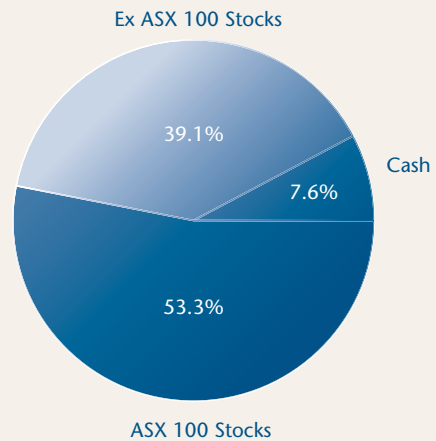


**GRAPHS 7 AND 8**  
BREAKDOWN OF THE HOLDINGS IN THE IMPUTATION FUND AS AT 30 JUNE 2007

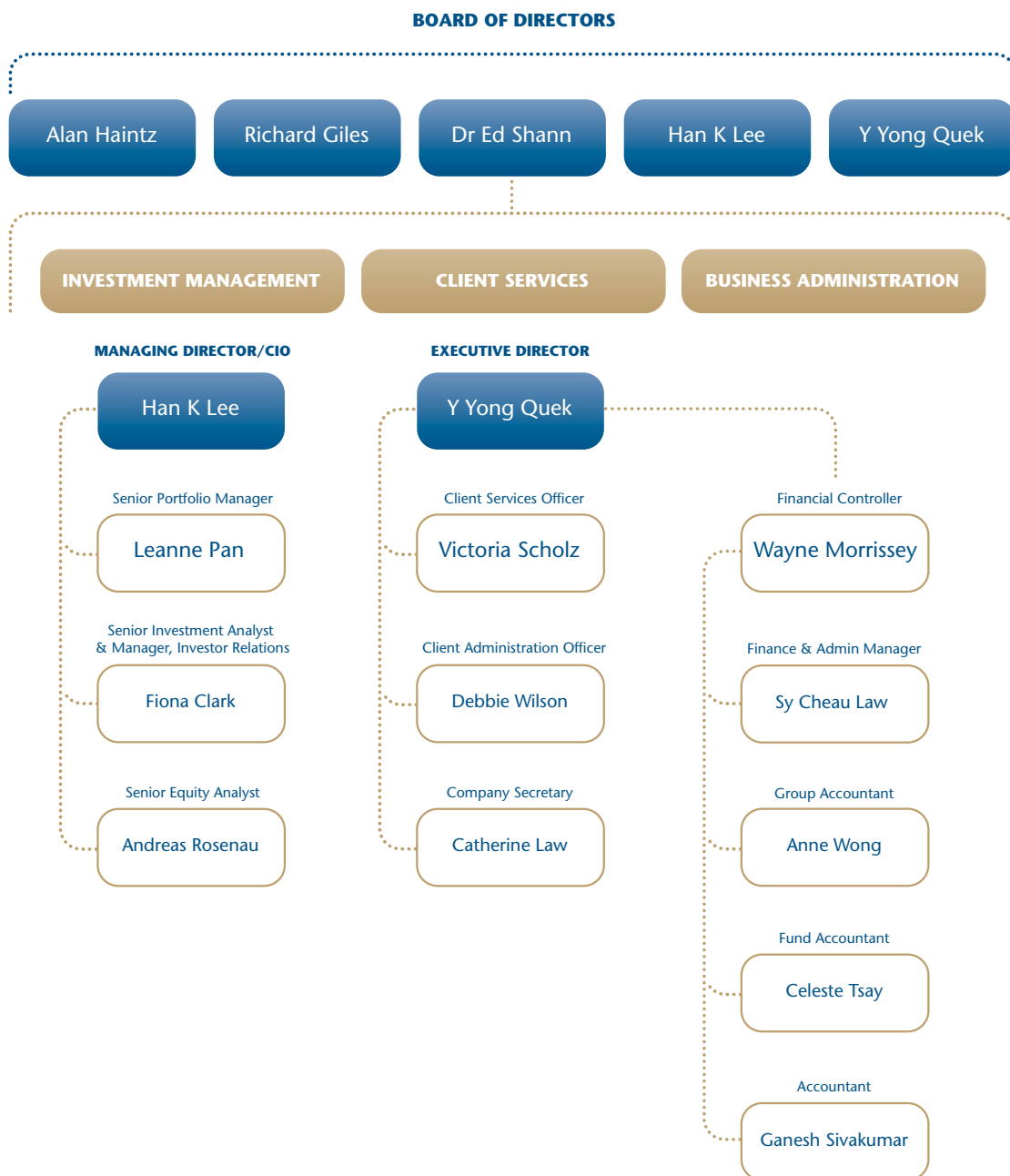
**GRAPH 7** HOLDINGS BY SECTORS



**GRAPH 8** HOLDINGS BY MARKET CAP



# 03 ORGANISATIONAL STRUCTURE



## 04

## BOARD OF DIRECTORS AND MANAGEMENT

## THE BOARD OF DIRECTORS



**ALAN G HAINTZ CHAIRMAN** B SC (MELB) FIAA FAICD

Alan was Chief Actuary and Chairman of the Compliance Committee of National Australia Financial Management until his retirement in 2000. He was a director of National Australia Fund Management, National Australia Superannuation, National Australia Management Services and National Australia Financial Planning. He served as a senior executive at Guardian Royal Exchange Insurance before joining National Australia Bank. Alan is a fellow member of the Australian Institute of Company Directors and the Faculty of Actuaries (Scotland). He now does some actuarial consulting work, and has more than 45 years experience in the investment industry.



**RICHARD H GILES NON-EXECUTIVE DIRECTOR** B SC (COLUMBIA) M SC (ECON-LONDON) ACA MAICD

Richard was a senior financial executive with ICI Australia Limited and Orica Limited until his retirement in December 2001. He was the Investment Manager of the \$600 million - \$800 million Orica Superannuation Fund for 9 years during which time this Fund consistently achieved top quartile investment performance. He also served as Corporate Treasurer and Investor Relations Manager. He has held a number of directorships associated with both his corporate role at ICI Australia Limited and his role as the Investment Manager for the Orica Superannuation Fund. Richard is currently a director of Advent Limited, an ASX listed company, and is a member of the Investment Committee of Equisuper, a \$4 billion+ multi employer superannuation fund. He is an active member of the Australian Shareholders Association, a member of the Institute of Chartered Accountants, and a member of the Australian Institute of Company Directors.



**DR EDWARD W SHANN NON-EXECUTIVE DIRECTOR** BA HONS (MELB) PHD (CAMBRIDGE) MAICD

Ed has had a career as an economist spanning the private, public and academic sectors. He was a director of Access Economics during the nineties until his retirement in 2000. He wrote the Economist Column in the BRW and was a regular participant in the media. He still writes a column for the Melbourne Herald Sun. Ed was formerly Research Director of the Business Council of Australia and Chief Economist at Shell (Australia) in the eighties. He worked in the seventies and early eighties as an economist in the Federal Treasury and the Department of Prime Minister and Cabinet, including periods at the International Monetary Fund and as a Research Fellow at ANU. He is a member of the Australian Institute of Company Directors.



**HAN K LEE MANAGING DIRECTOR & CHIEF INVESTMENT OFFICER** M COMM F FIN

Han co-founded Prime Value in early 1998. He heads the investment team and oversees the formulation of investment policy and strategy. Prior to founding Prime Value, he was the Senior Equity Portfolio Manager for the Shell Australia Superannuation Fund, with assets under management in excess of \$500 million. Han has held a range of senior investment positions with Adriatic Life, Westpac Banking Corporation, National Mutual Life Association and Australia and New Zealand Banking Group Limited. Han regularly gives seminars and lectures combining finance and investment theory and practice in Australia and Asia. He is a member of the Financial Services Institute of Australia and has more than 35 years of experience in the investment industry.



**Y YONG QUEK EXECUTIVE DIRECTOR** B E CIVIL (HONS) MBA CPA MAICD CFTP

Yong co-founded Prime Value and is an integral member of the Investment Team. He is responsible for business development, finance and the compliance function of the group. Yong is also Managing Director & Chief Investment Officer of Shakespeare Management Pty Ltd, managing a portfolio of properties in excess of \$250 million. Prior to founding Prime Value, Yong was the Assistant Treasurer of WMC Limited and a director of the WMC Superannuation Fund. Yong has held various senior finance and treasury positions with Shell Australia Limited and the Australian Wheat Board. Yong is a director of the Australian Navigators Limited and a number of private companies. He is a member of the Australian Institute of Company Directors and the Australian Society of Certified Practising Accountants. Yong has more than 20 years of investment and risk management experience.

## 04 BOARD OF DIRECTORS AND MANAGEMENT

### THE INVESTMENT TEAM

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**HAN K LEE** MANAGING DIRECTOR & CHIEF INVESTMENT OFFICER M COMM F FIN

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**LEANNE PAN** SENIOR PORTFOLIO MANAGER B ECON MBA CPA CFA

Leanne is the senior portfolio manager, responsible for the formulation of investment policy and process development, portfolio strategy and construction; and fundamental research. She has over 20 years experience in the investment industry, with a strong and successful track record.

Prior to joining Prime Value in 2004, she was Portfolio Manager for the Orica Superannuation Fund responsible for the active management of the \$400 million Australian equity portfolio. Previously she was Portfolio Manager for the Shell Australia Superannuation Fund working with Han K Lee, together managing the successful and sizeable Australian equity component of this fund in the 1990s.

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**FIONA CLARK** SENIOR INVESTMENT ANALYST AND MANAGER, INVESTOR RELATIONS B ECON (ACTUARIAL) F FIN CFTP

Fiona provides analytical support to the investment team, including research, generation of ideas and attribution analysis. She also manages relationships with investors. Prior to joining Prime Value in December 2004, she was Manager of Investor Relations at WMC Resources. She has held senior treasury roles at WMC Resources and funds management roles at Commonwealth Funds Management and Asahi Investment Australia.

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**ANDREAS ROSENAU** SENIOR EQUITY ANALYST BA MBA

Andreas' primary role is to provide fundamental bottom-up research, including research report writing for assigned industries and companies, financial analysis and modelling of companies.

Prior to joining Prime Value in September 2006, Andreas was the Financial Controller for Wella AG (Asia Pacific Region). He has held various senior financial and business positions while working in Europe and Asia. Andreas is currently completing the Chartered Financial Analyst (CFA) course.

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Our board and investment team are highly respected in the investment community and have ridden the roller coaster of market booms and busts, high and low inflation and fluctuating interest rates that have punctuated the past three decades.

# 04

## BOARD OF DIRECTORS AND MANAGEMENT

### THE CLIENT SERVICES AND BUSINESS ADMINISTRATION TEAM

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#### **YONG QUEK EXECUTIVE DIRECTOR** B E CIVIL (HONS) MBA CPA MAICD CFTP

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#### **WAYNE MORRISSEY FINANCIAL CONTROLLER** B BUS (Accounting) CA

Wayne joined Prime Value in 2005 and his responsibilities include financial & management accounting, administration and compliance function of the Group. He oversees a team that is responsible for unit pricing, unit registry, trade processing, accounting and taxation.

Wayne has had more than 10 years of operational experience in the funds management industry. Prior to joining Prime Value, he was investment administration manager at HSBC Asset Management (Australia) Limited, responsible for trade processing, accounting and reporting for all the managed funds. His previous roles include operations manager of Norwich Trusts Limited and the accounting and taxation manager at Portfolio Partners.

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#### **VICTORIA SCHOLZ CLIENT SERVICES OFFICER**

Victoria is responsible for client service along with operational and general administration matters. She also manages the Prime Value office. Victoria holds a Certificate IV in Financial Services and a Certificate III in Sport and Recreation Administration. Prior to joining Prime Value in 2007, she was administration support officer at AXA and has had over 7 years of customer service and administration experience in a variety of industries.

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#### **DEBBIE WILSON CLIENT ADMINISTRATION OFFICER**

Debbie manages the client database and is responsible for client administration. Prior to joining Prime Value, she was Registrar at Pacific College of Graduate Studies and later at Kingsley College, where she contributed significantly to the development and maintenance of the database.

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#### **SY CHEAU LAW MANAGER – FINANCE AND ADMINISTRATION** B SC (HONS) M SC F FIN

Sy Cheau is responsible for the finance and administration function of Prime Value. She also provides assistance to the investment team in analysing biotech stocks. Prior to joining Prime Value in 1998, Sy Cheau worked as a research scientist at Hong Kong University. She completed a Graduate Diploma in Applied Finance and Investment in 2001 and is a member of the Financial Services Institute of Australia.

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#### **ANNE WONG GROUP ACCOUNTANT** B ECON (ACCOUNTING) CPA

Anne is jointly responsible for the accounting and taxation function of Prime Value and the Funds. Prior to joining Prime Value in early 2001, Anne worked as the investment accountant for Shell Australia Superannuation Fund, Shell Australia Contributory Pension Fund and Shell Coals Fund. She has held a number of accounting positions in Coles-Myer and Ernst & Young. Anne has more than 20 years accounting experience in the investment industry.

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#### **CELESTE TSAY FUND ACCOUNTANT** BA MB (ACCOUNTING) CPA

Celeste is jointly responsible for the accounting and taxation function of Prime Value and the Funds. Prior to joining Prime Value, Celeste worked for Mercer Consulting, Merrill Lynch, ANZ and Computershare as the fund accountant. Celeste has approximately seven years accounting experience in the funds management industry.

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#### **GANESH SIVAKUMAR ACCOUNTANT** B SC (COMPUTER) GRAD DIP BUS MGMT

Ganesh joined Prime Value in 2005 and is responsible for accounting for IMAs and Unit pricing. His previous work includes system development and accounting work for a major software and system developer in Sri Lanka. He is currently completing a Master of Practising Accounting at Monash University.

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#### **CATHERINE LAW COMPANY SECRETARY** BA LLB

Catherine is the company secretary of Prime Value, and assists in legal matters and business development. Prior to joining Prime Value in 2002, she was an associate of a legal firm in Melbourne. She is a director of Shakespeare Management Pty Ltd and a number of private companies. Catherine has more than 15 years of investment experience.

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# 05

## INVESTMENT PHILOSOPHY, BENEFITS AND RISKS OF INVESTING

“What the ancients called a clever fighter is one who wins his battles by making no mistakes.”  
“Hence his victories bring him neither reputation for wisdom nor credit for courage.”

Sun Tzu: The Art of War (5th Century B.C.)

# 05

## INVESTMENT PHILOSOPHY, BENEFITS AND RISKS OF INVESTING

### INVESTMENT – PHILOSOPHY AND PROCESS

There is a great deal of emphasis placed on the discussion of professional investment managers' "style". Investment consultants have built an entire industry out of studying and categorising the differing approaches to professional investment research and portfolio management in use today. There are growth stock managers, value managers, top down and bottom up managers, etc, etc. Some investment consultants would have great difficulty, however, in defining the essence of a particular style's success, and in finding the "philosopher's stone".

In Prime Value's view, investment is an art as well as a science. Successful investing and funds management are not necessarily tied to a formula. There is no single correct way of investing. While there are characteristics that the more successful investment managers share, they can be combined to create an infinite number of personalities and approaches to the sometimes treacherous journey that investment success represents.

As the naval historian, Samuel Eliot Morrison, once said, "In warfare, mistakes are inevitable. Military decisions are based on estimates of the enemies' strengths and intentions that are usually faulty, and on intelligence that is never complete and often misleading." He concluded that... "Other things being equal, the side that makes the fewest strategic errors wins the war."

The same applies in investment management, as everyone occasionally makes mistakes. Investment decisions are based on market views and intelligence that are often faulty, and on investment research that is never complete and error free.

In practice, the investment manager who makes the fewest mistakes usually produces superior results.

This is a mundane and unspectacular method of investing, where there is no room for heroics but Prime Value believes it generates consistently superior returns. Hence the superior investment results may not bring the investment manager reputation for wisdom nor credit for courageous and adventurous decision-making. Prime Value is not seeking a reputation for wisdom nor credit for courageous and heroic decision-making. Prime Value is seeking longer-term superior performance.

Typically, Prime Value places a great emphasis on **stock selection** to generate returns. Prime Value's approach to

**stock selection** is mainly fundamental, involving the use of economic and financial data to assess the liquidity, efficiency and the earnings potential of a company. Prime Value also analyses macro-economic data, corporate financial reports, industry data, comments from corporate officers, etc, to determine whether a stock is under or over-valued. All these economic and financial tests are applied with a great deal of flexibility. Sometimes, depending on the phase in the economic cycle or the type of stock, balance sheet tests might be emphasised. At other times, earnings growth and earnings stability would be deemed most important. In short, there is no standard way of identifying winners and losers in the stock market. Experience and common sense dictate how the formula must be adapted to determine the appropriate investment decision for each security.

Another key component of Prime Value's investment process is **portfolio strategy**. Strategic decisions involve major commitments that affect the overall structure of the portfolio. It is often said that Prime Value is not really investing in the stock market but in a market of stocks. It is up to the investment managers to make major strategic decisions on constructing the portfolio of stocks they manage.

The final investment component Prime Value uses to enhance performance, albeit very sparingly, is **market timing**. As it is extremely difficult to consistently buy when the market is low and sell when the market is high, Prime Value does not envisage taking big bets based on market timing. However, like other investment managers, Prime Value will still pay a great deal of attention to broader variables, including but not limited, to interest rates, exchange rates, commodity prices and economic cycles.

At Prime Value, the main focus is on good companies selling below their intrinsic value, especially those outside the S&P/ASX 100 Index. Although Prime Value does invest in the large capitalisation stocks, there are many good investment opportunities outside the S&P/ASX 100 Index. These stocks are often overlooked by the major fund managers and stockbrokers, and excluded from their equity portfolios, simply due to their size. Furthermore, share prices in the S&P/ASX 100 Index are often driven by trading factors, rather than just the fundamentals of the underlying company.

Of utmost importance to Prime Value is the avoidance or minimisation of mistakes. This, in essence, is Prime Value's basic investment philosophy and is well illustrated by a comparison with warfare.

## 05

### INVESTMENT PHILOSOPHY, BENEFITS AND RISKS OF INVESTING

“In practice, the investment manager that makes the fewest mistakes usually produces superior results. This is a mundane and unspectacular method of investing, where there is no room for heroics but Prime Value believes it generates consistently superior returns.”

Market tools such as leverage and financial derivatives play a great role in influencing the share prices of the large capitalisation stocks. Share prices of stocks outside the S&P/ASX 100 Index, on the other hand, are not directly influenced by these factors. Hence they are more suited to detailed fundamental analysis as the basis for investment selection. Prime Value uses the same investment process for both Funds. However, the PVIF will always have a core position of Australian equities with an attractive level of franked dividends. The Funds will invest in the following categories of investment, commonly known as asset classes, with a significant proportion likely to be invested in equities listed on any recognised Australian stock exchange.

The asset classes are listed below:

#### AUSTRALIAN EQUITIES AND GLOBAL EQUITIES

Equities (that is, shares) are a common form of investment that have the potential to increase wealth over the long-term. An investment in shares may generate returns in two forms, income and capital growth. The income may come in the form of dividends paid out of the company's earnings. The capital growth may come in the form of increases in the equity's price. Historically, over the long term, equities tend to outperform all other asset classes and the volatility of return for equities is higher than for other asset classes. Volatility refers to the degree to which actual returns deviate from the long-term average return. It should be noted that, historically, the return in developed countries like Australia is lower than emerging markets, although the volatility of return is also lower. However, historical performance is not necessarily a predictor of future outcomes. The Funds may also invest in companies due to be listed in the next 12 months.

An investment in global equities is similar to an investment in Australian equities, except global equities allow the Funds to invest in different countries, companies and currencies. This will spread the risk and may lead to improved returns. Global investments will be affected by the relative value of the Australian dollar on the international currency market. The Funds will generally have a minimal level of investment, if any, in global equities.

#### CASH AND FIXED INTEREST INVESTMENTS (DEPOSITS AND BONDS)

The cash investments of the Funds are generally investments in the short-term money market. The cash investment includes investments in short term interest bearing securities, usually with no more than 180 days until their maturity. These securities (often called money market securities) include bank bills, commercial bills, promissory notes, negotiable certificates of deposit and call receipts. The capital component of a cash investment is quite secure and the returns are generally positive. However, this type of investment is at best only intended to meet the criteria of wealth preservation, as longer term rates of return on cash investments are generally lower than those of other asset classes. The possibility of wealth being eroded by inflation is greater in the case of cash investments compared with other asset classes.

Fixed interest investments available to the Funds will be mainly government, semi-government and major corporate bonds. This type of investment provides a relatively high level of income and offers the possibility of capital growth. Changes in interest rates provide the greatest risk to most fixed interest investments. When interest rates move up or down, the market value of fixed interest investments usually moves in the opposite direction.

# 05

## INVESTMENT PHILOSOPHY, BENEFITS AND RISKS OF INVESTING

### ETHICAL CONSIDERATIONS

The subject of ethical investing is highly complex and there are often contradictions and difficulties in its application. While the Prime Value Funds are not classified as ethical funds, Prime Value is a socially conscious investor and examines each investment on a case by case basis.

Prime Value is committed to the concept of “responsible investing” and applies a “negative screen” to avoid companies whose behaviour or activities are considered, in its opinion, to be highly unethical or not responsible. For instance, the Funds will not invest in companies which directly derive a significant proportion of their income from tobacco, armaments or pornographic activities.

### RISK VERSUS RETURN

#### INVESTMENT BENEFITS

There is generally a balance in the relationship between the benefits and risks associated with an equity investment such as the Prime Value Funds. The benefits of an investment in Prime Value Funds can be summarised as:

- Potential for superior investment returns, in excess of the S&P/ASX300 Accumulation Index. This includes the potential for strong capital growth over the medium to long term and half-yearly income distributions;
- Competitive fee structure which seeks to align the interests of the investment managers with those of the investor;
- Access to experienced and qualified Prime Value investment professionals;
- Investment opportunities, markets and diversity unavailable to many individual investors; and
- Reduced administrative burden (relative to a direct investment in individual shares).

#### RISK FACTORS

Before investing, each potential investor should consider whether the Funds are a suitable investment given their personal investment objectives. An Investor should not invest in the Funds if:

- he/she only wants to make a short-term investment and expects to make substantial short-term gains;
- he/she expects the Prime Value Funds to achieve benchmark or better returns at all times;
- he/she is unable to accept significant fluctuations in unit prices; or
- he/she is unable to accept any loss of investment capital.

Every investment involves varying degrees of risk. While there are many factors which may impact on the performance of any investment, the summary below details the key risks that investors should be aware of when investing in the Funds.

#### Risks associated with any investment in listed equities

An investment in the Funds is an indirect investment in equities listed on a recognised Australian stock exchange, predominantly the ASX, and the risk profile of an investment in the Funds is expected to be similar to the risk profile of an investment in Australian equities. Over time, the performance of stock markets can rise and fall and, at times, substantial negative returns have been produced by investments in stock markets. Prime Value cannot assure investors of positive or superior returns in any financial year because the markets can take unexpected turns and the value of the investment may fluctuate accordingly.

#### Market risk

The market price of listed equities in which the Funds will invest will be affected by numerous factors including changes in interest rates, exchange rates, inflation, market sentiment and the rate of growth of the domestic and foreign economies. War between significant countries and acts of terrorism on a large scale can have a significant adverse direct and indirect effect on both the Australian and global stock markets.

It is not possible to eliminate market risk, and many of the components of market risk cannot be controlled by Prime Value. The value of such listed equities in which the Funds invest will also be affected by the risks that may adversely affect the units in the Funds.

#### Investing in a managed fund

There are some risks inherent in the operation of a managed fund. These include that the Funds could terminate or fees and expenses could change. The ability of the Funds to pay distributions is dependent upon the Funds having sufficient cash resources and distributable income. It is possible that Prime Value may not be able to make suitable investments for the Funds which may affect their ability to pay distributions.

## 05

### INVESTMENT PHILOSOPHY, BENEFITS AND RISKS OF INVESTING

#### Changes in Government Policy and Taxation

An investment in the Funds may be affected by changes in government policy and legislation in relation to taxation. Changes to the tax system may impact both the performance of companies in which the Funds invest and the manner in which income and capital profits (or losses) are treated.

A general outline of the taxation ramifications of an investment in the Funds are set out in Section 8. That outline is in general terms and is not intended to provide specific advice in relation to the circumstances of any particular investor. Accordingly, investors should seek independent advice in relation to their own individual taxation position.

#### Stock selection risk

Performance may be lower than the return on the market due to poor investment decisions. This risk is reduced by the employment of a highly qualified, experienced and stable investment team, with a proven performance track record.

#### Portfolio risk

The portfolio of securities in the Funds will typically be less diversified than the S&P/ASX 300 Index. The Funds' performance may be higher or lower than the returns indicated by the S&P/ASX 300 Accumulation Index, as the Funds' portfolio will be comprised of a smaller number of companies, including companies outside the S&P/ASX 300 Index.

#### Currency risk

This is the risk that currency movements can adversely affect the value, in Australian dollar terms, of international investments. For example, an increase in value of the \$A will lower the Australian dollar value of an international investment.

#### Derivative risk

Prime Value may make limited use of derivative investments such as options and futures. Derivatives may be used as an alternative to direct investment and as a risk management tool. Derivatives will not be used to leverage the Funds.

Where the Funds use derivatives as an alternative to direct investment, the derivative may not move in exactly the same way as the underlying physical security (basis risk) and so may not provide exactly the same exposure.

No derivatives have been transacted to date.

#### Force majeure events

Force majeure is the term generally used to refer to an event beyond the control of a party claiming that the event has occurred, including acts of God, fire, flood, earthquakes, war, acts of terrorism, and labour strikes. Some force majeure risks are uninsurable or are unable to be insured. A force majeure event may adversely affect the normal operations of financial markets, or the ability of any of Prime Value or the Funds, or the custodians and counter-parties utilised by Prime Value or the companies/trusts into which the Funds invest, to perform their obligations until the force majeure event is remedied.

Based on the constitution of each Fund, the liability of each investor of each Fund is limited to that investor's investment in the Funds.

#### RISK MANAGEMENT TECHNIQUES

Prime Value will seek to manage the above risks by employing consistent and integrated risk management techniques, by:

- Monitoring the strategic direction and trends of the markets;
- Maintaining a well-diversified portfolio, in terms of the number, size and class of investments;
- Using currency management techniques, where appropriate, to protect the value of global investments, if any;
- Using derivatives, where appropriate, mainly for hedging purposes, to manage risk/return outcomes and to reduce volatility; and
- Employing a highly qualified, experienced and stable team with a simple and well-understood investment philosophy.

## APPLICATIONS

### CLASSES OF UNITS

Units may be offered in the Funds in one or more classes, and Prime Value has the discretion from time to time in the future to issue more classes. Classes do not constitute separate trust funds. Units of the same class confer equal interests and rights and units of different classes are treated fairly.

#### Class A Unitholders:

Direct investors, who join using the application form provided.

#### Class B Unitholders:

Indirect investors, whose investment is through an IDPS or IDPS-like scheme such as a master trust or platform.

Class A and Class B units will have different Unit prices. Applications for indirect investments, through an IDPS or IDPS-like scheme such as a master trust or platform (Class B units), are made directly through the IDPS operator.

### ISSUE PRICE

Units will be allocated at the issue price, which will be applied on the basis referred to below. In relation to each class (Class A or Class B) in each Fund, the issue price is the net asset value of the entire class, plus an allowance for transaction costs (see Item 2 of Section 7 Additional Explanation of Fees and Costs) divided by the number of units on issue in the class. Unit prices will be calculated daily on the basis of the most recent valuation of the assets of each Fund.

This price is available by contacting Prime Value on +61 3 9620 7762 or visiting [www.primevalue.com.au](http://www.primevalue.com.au).

When Prime Value receives your valid application form and investment monies:

- (a) At or before 4.00pm (Melbourne time) on a Business Day, the issue price applied to your application is the price at the close of business on that day.
- (b) After 4.00pm (Melbourne time) on a Business Day, the issue price applied to your application is the price at the close of business on the following Business Day.

## JOINT ACCOUNT OPERATION

Joint accounts are normally accessible to any of the named individuals. For joint accounts, all signatories must sign the redemption request and the declaration on the application form.

## APPOINTMENT OF AUTHORISED NOMINEE

Investors may elect to appoint an authorised nominee to act on their behalf in respect of their investment in the Funds by completing the relevant section of the application form. An authorised nominee has the same power as the investor who appointed them, except they cannot appoint another authorised nominee. The appointment of an authorised nominee is made subject to the declarations set out in the guide for completing the application form.

## ADDITIONAL INVESTMENTS

Existing investors are not required to complete an additional application form when making additional investments. In addition to payment, all that is required is notification in writing, stating the investment code and the Fund name.

## WITHDRAWALS AND SWITCHES

### WITHDRAWAL PRICE

Units will be redeemed at the withdrawal price. The withdrawal price is the net asset value of the entire class, less an allowance for transaction costs (see Item 2 of Section 7 Additional Explanation of Fees and Costs), divided by the number of units on issue in the class. Where Prime Value receives your valid redemption or switch request:

- (a) At or before 4.00pm (Melbourne time) on a Business Day, the withdrawal price applied to your withdrawal is the price at the close of business on that day.
- (b) After 4.00pm (Melbourne time) on a Business Day, the withdrawal price applied to your withdrawal is the price at the close of business on the following Business Day.

## 06

### INVESTMENT APPLICATIONS, WITHDRAWALS AND INCOME DISTRIBUTIONS

#### HOW TO WITHDRAW

An investor can withdraw all or part of his/her investment from the Fund, however, the minimum amount that can be withdrawn is \$5,000 unless a lesser amount remains invested. Although the constitution of each Fund allows for up to 30 days to process a withdrawal request, Prime Value will usually process a withdrawal request within 5 Business Days. This short delay is necessary to enable the sale and settlement of certain investments and/or positions to cover the redemption.

To withdraw an Indirect investment, a withdrawal request must be provided directly to the IDPS operator.

An investor can make a withdrawal simply by writing to Prime Value. The request should state the investor's account name, investor code, the relevant Fund, amount to be withdrawn (whether \$ amount, % of investment or number of units) and be signed by the authorised signatory(ies). The investor will need to tell Prime Value whether proceeds should be directly deposited into his/her nominated bank account or paid to him/her by cheque mailed to his/her current registered address.

An investor can also fax the relevant written withdrawal instructions to Prime Value. Redemption requests made by facsimile will receive the price upon receipt of the transmission. Prime Value must receive the original signed request prior to a redemption being paid.

#### SWITCHING

An investor may switch all or part of his/her investment between the Funds. No switching fees apply, however the transaction is subject to the normal buy-sell spread, in respect of the redemption from one fund and application in the other fund. Switching may give rise to a capital gains tax liability. An investor should seek independent advice concerning their taxation position. Please note that Prime Value may, in certain circumstances, refuse to allow an investor to switch between Funds.

Withdrawal and switching forms can also be downloaded from the Prime Value website, [www.primevalue.com.au](http://www.primevalue.com.au)

#### INCOME DISTRIBUTIONS AND INVESTMENT STATEMENT

##### INCOME DISTRIBUTIONS

The investments held by each Fund will generate income that will be distributed to investors half-yearly, after the end of June and December each year, or more frequently if Prime Value deems it to be appropriate. Each investor can choose to have his/her income automatically reinvested in additional units in the same Fund or directly deposited into his/her nominated account.

Income distributions will be made according to each investor's instructions. An investor's income will be reinvested using the Unit price (mid-price) applicable on the day that the income distribution occurs. The timing and amount of income distributions may be different for Indirect investors. Please refer to the PDS or other disclosure document provided by the IDPS operator.

The Funds' Unit prices reflect the accrual, receipt and distribution of income. Therefore, the Unit price will usually fall immediately after the distribution of income. If an investor withdraws some or all of his/her units prior to an income distribution, the redemption price of the units will reflect his/her share of income due and will be paid out as capital, not income.

##### HALF-YEARLY STATEMENT

Each investor in the Funds will be sent a periodic statement twice a year, covering the six months ending 30 June and 31 December each year. This statement will contain a summary of all the investor's transactions in the Fund, the units the investor holds, the Unit price and the total value of the investor's units as at the relevant date (being 30 June or 31 December).

As the Funds are disclosing entities, such reporting is provided in accordance with the Corporations Act. Indirect investors receive reporting directly from the relevant IDPS operator, not Prime Value. Indirect investors should refer to their IDPS PDS or other similar disclosure document for information as to the reports they will receive regarding their investment in the Funds.

# 07 FEES AND OTHER COSTS

The following warning is required by law.

## 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 quality services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask your fund or financial adviser.

## TO FIND OUT MORE

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

This section shows fees and other costs (unless otherwise stated, inclusive of GST and less any RITC, where applicable) that you may be charged in respect of each Fund. These fees and charges may be deducted from your money, from the returns of your investment or from each Fund's assets as a whole.

Taxation costs are set out in Section 8 of this PDS.

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

The method of payment of fees may be different for Direct Investors and Indirect Investors. This is noted where applicable.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>FEES WHEN YOUR MONEY MOVES IN AND OUT OF THE FUND</b>		
<b>Establishment fee</b> The fee to open your investment <sup>1</sup>	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment <sup>1</sup>	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your investment <sup>1</sup>	Nil	Not applicable
<b>Early withdrawal fee</b>	2% of the amount withdrawn is levied on amounts invested for less than 12 months.	If applicable, deducted from redemption monies. It is only applicable to Direct Investments (Class A Units).
<b>Termination fee</b> The fee to close your investment	Nil	Not applicable

1. You may incur a buy-sell spread when your money moves in and out of the Fund. See Item 2 of the "Additional Explanation of Fees and Costs".

## 07 FEES AND OTHER COSTS

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>MANAGEMENT COSTS – The fees and costs for managing your investment</b>		
<b>Management fee<sup>2</sup></b>	1.23% p.a. for Direct Investments (Class A units) 1.025% p.a. for Indirect Investments (Class B units) See the ‘Scenario Table’ on page 29 for illustrative worked examples.	Calculated and accrued daily on the net asset value of the relevant Class of Units in each Fund at the end of each day, and payable from the relevant Fund’s assets, within five (5) Business Days of the end of each calendar month.
<b>Estimated Administration costs</b> Expenses that are anticipated will be incurred in the operation of each Fund. See Item 9 of “Additional Explanation of Fees and Costs”.	Approximately 0.205% p.a. See the ‘Scenario Table’ on page 29 for illustrative worked examples.	Calculated and accrued daily on the net asset value of the Fund, as applicable, at the end of each day, and payable from the relevant Fund’s assets, within five (5) Business Days of the end of each calendar month, or as incurred.
<b>Performance fee</b>	20.5% of performance (net of management fees, administration costs and before deduction of performance fees) in excess of the S&P/ASX 300 Accumulation Index.  For example, if the return of the relevant Fund exceeds the benchmark by 5% (after management fees, administration costs and before deduction of performance fees), this will add 1.025% to total fees (being 20.5% of 5% outperformance). See Item 8 of “Additional Explanation of Fees and Costs” for worked dollar examples.	For Direct Investments (Class A Units), the performance fee is calculated each June 30, or at withdrawal, based on the performance of each individual investment relative to the benchmark over the period of investment since the performance fee was last calculated, and generally paid out of the distribution for each account or, if required, the proceeds of redemption.  For Indirect Investments (Class B Units), a daily performance fee calculation is made, comparing the performance of the Fund with the benchmark. The daily amounts are added and, if positive, will be paid from the Funds at the end of each month where the return on the Funds has also been positive. The effect of positive performance fees in respect of Class B Units will be included in Unit price calculations.
<b>SERVICE FEES</b>		
<b>Switching fee</b> The fee for changing investment options	Nil	Not applicable.

2. This fee may include an amount payable to an adviser, where applicable. See Item 5 of “Additional Explanation of Fees and Costs.”

# 07 FEES AND OTHER COSTS

## ADDITIONAL EXPLANATION OF FEES AND COSTS (ALL FIGURES INCLUDE GST AND RITC)

### 1. Withdrawal fees

There is no withdrawal fee; however, in respect of Direct Investments (Class A Units), an early withdrawal fee of 2% of the amount withdrawn is levied, on amounts invested for less than 12 months, deducted from redemption monies. This is to discourage short term investing, as equity investments such as the Prime Value Funds are recommended for medium and long term investment only.

### 2. Buy-sell spread

An application or withdrawal may necessitate the purchase or sale of Fund assets, incurring transaction costs such as brokerage, government duties and taxes. Issue and withdrawal prices of units are different, reflecting an allowance for such transaction costs. The buy-sell spread is intended to equitably balance the interests of existing, incoming and outgoing investors. The current buy-sell spread is +/-0.38% and is included in the unit price (by addition to the net asset value per unit in the case of application price and by deduction from the net asset value per unit in the case of redemptions). This is an additional cost to the investor that is paid into the Fund. It is not a fee paid to Prime Value.

Reinvested distributions do not attract the buy-sell spread.

### 3. Variation of fees

Prime Value will provide investors with notice in writing 90 days prior to any fee increases (with the exception of the buy-sell spread) taking effect and provide the reasons for such a change.

There is currently no intention to change the fees.

Examples where fees may change include circumstances where the costs of operating the relevant Fund changes, such as changing economic conditions or changes in regulations.

The constitution of each Fund provides for the following maximum fees to be charged:

- A contribution fee of up to 3%, exclusive of GST (not currently charged);
- A withdrawal fee of up to 3%, exclusive of GST (not currently charged except for Direct Investments where an investor withdraws within 12 months of investment);

- A management fee of up to 2.0%, exclusive of GST (currently 1.23% for Direct Investments and 1.025% for Indirect Investments); and
- A performance fee of up to 25%, exclusive of GST (currently 20.5%).

GST at the current rate may also be added to these maximum amounts.

### 4. Differential fees

Different fees may be negotiated with wholesale clients (as defined in the Corporations Act). Prime Value may also rebate performance fees on investments made by employees, directors, related parties and non-profit and philanthropic organisations subject to compliance with legal requirements. Such arrangements are only permitted provided they do not adversely affect the fees paid by other investors.

Indirect Investors should refer to the PDS or other disclosure documentation of their IDPS operator, for details of all relevant fees and charges applicable to them.

### 5. Adviser commissions and other payments

#### Up-front adviser commission

While there are no establishment or contribution fees, if an investor is introduced to the Funds by an adviser, Prime Value may deduct up to 3% of the amount invested as an upfront adviser commission, as mutually agreed by the investor and their adviser. The amount of this fee can be negotiated. Prime Value is not responsible for either the GST nor for the provision of a RITC as a result of this arrangement.

For example, if an investor invests \$50,000 and agrees a maximum of 3% to be paid to their financial adviser, the investor will have agreed to have an amount of \$1,500 deducted from their initial investment amount.

The fee shall be deducted from each investor's initial investment and paid to the adviser. When completing the application form, please indicate in the application form the details of the adviser (if applicable).

#### Ongoing adviser commissions (from management fees)

Prime Value may pay ongoing adviser commissions to financial advisers and other intermediaries, up to 0.44% pa (inclusive of GST) of net asset value, calculated on a daily basis, or other non-monetary benefits such as business and technical support, professional development and entertainment.

Prime Value will pay all such commissions and other non-monetary benefits from its own resources and not from the relevant Fund, unless otherwise disclosed in this PDS.

## 07 FEES AND OTHER COSTS

Each financial adviser should provide an investor with a financial services guide and statement of advice detailing the fees and benefits they charge/provide. Prime Value also maintains a register in compliance with the Industry Code of Practice on Alternative Forms of Remuneration summarising alternative forms of remuneration that are paid or provided to advisers. If you would like to review this register, please contact us.

### Platform “listing” fees

Some platforms (for example master funds and wraps) charge listing fees, which are fees for the Funds to be included on their investment menus. These are incorporated in the administration costs (refer to Item 9 on page 27). The total cost currently does not exceed \$100,000 per annum for the Funds.

### 6. Details of the ICR (Indirect Cost Ratio) for each Fund

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>MANAGEMENT COSTS</b>		
<b>Indirect Cost Ratio</b>	Approximately 1.435% for Direct Investments (Class A units) 1.23% for Indirect Investments (Class B units) See the ‘Scenario Table’ on page 29 for illustrative worked examples.	This is a combination of the management fees and administration costs.
	<b>Actual June 2007</b>	
	Class A      Class B	
	PVGF      1.43%      1.23%	
	PVIF      1.43%      1.23%	
	These amounts exclude performance fees where applicable.	

### 7. Incidental fees

Where Prime Value is charged fees by an investor’s financial institution (e.g. cheque dishonour fee), or where costs are incurred in the transfer or disposal of units (e.g. electronic transfer fees, bank tracing fees, etc.), these costs will be deducted from an investor’s application amount or disposal proceeds. Such fees are likely to be minimal.

### 8. Performance fees

#### Class A Unitholders (Direct Investments)

Performance fees form part of management costs in the management costs part of the “Fees and Costs” template. The manager is entitled to a performance fee, equal to 20.5% (inclusive of GST and RITC) of the amount by which the annual increase in each investor’s investment in the Funds exceeds the increase in value of an equivalent investment in the S&P/ASX300 Accumulation Index (benchmark), subject to certain provisions.

Prime Value believes that performance fees further align the interest of the investment managers with those of investors. The performance fee is calculated on June 30 each year, or at withdrawal.

The performance fee is calculated by reference to the performance of each investor’s investment in the Funds and is calculated separately on each individual investment in units (where, for example, units were purchased or sold during the financial year).

Performance fees are only payable where:

- The performance of the Fund (net of management fees and administration costs, and before performance fees are deducted) exceeds the performance of the benchmark
- The performance of the Fund (net of management fees and administration costs, and after performance fees are deducted) is also positive.

# 07 FEES AND OTHER COSTS

## High water mark

Where the performance of the Fund is lower than the performance of the benchmark, no performance fee is payable and the underperformance must be recovered before a future performance fee can be charged. For example, if the Fund underperformed by 2% in year 1 and outperformed by 5% in year 2, performance fees in year 1 would be zero. In year 2, the performance fee would be calculated as 20.5% of approximately 3% out performance (5% outperformance in year 2 less 2% underperformance in year 1).

Where the performance of the Fund exceeds the benchmark, but is negative, performance fees are not paid. Performance is reviewed again at the following June 30 or on the disposal of the units and paid only if positive at that time.

As an example of the calculation of performance fees, if an investor invested \$100,000 on 30 June 2006 and the value of units increased (after management fees and administration costs) to \$115,000 as at 30 June 2007 and if the S&P/ASX 300 Accumulation Index had risen by 10% over the same period (giving a theoretical investment of \$110,000), then the performance fee would be calculated as follows:

$$\begin{aligned}\text{Performance Fee} &= 20.5\% \text{ of performance in excess} \\ &\quad \text{of Benchmark} \\ &= 20.5\% \times (\$115,000 - \$110,000) \\ &= \$1,025\end{aligned}$$

In other words, the net value of the investment (after all management fees, administration costs and performance fees) will be \$113,975.

Where the investment period is less than one year, (for example, where units have been purchased or sold), the relevant benchmark is the performance of the S&P/ASX 300 Accumulation Index over the period of investment.

Performance fees are generally deducted from the income distribution for the relevant period or from the proceeds of redemptions.

## Class B Unitholders (Indirect Investments through an IDPS or IDPS-like scheme such as a master trust or platform).

Where investments are made through a master trust or platform, individual Unit holdings cannot be monitored. For this class of Unit, performance fees are calculated separately and incorporated into the Unit price.

A daily investment performance fee is calculated on the difference between the daily performance of the Funds and the daily performance of the S&P/ASX 300 Accumulation Index (benchmark). Daily performance fees can be positive or negative, depending on whether the Funds' performance is higher or lower than the benchmark.

The daily performance fees are added together and where the combined amount is positive, the amount will be accrued in the Unit price for the class of investment. Where the combined daily performance fees for a month are negative, no performance fee is accrued in the Unit price. If the balance is negative at the end of the month, the negative balance is carried forward to the next month.

The daily performance fee balance is payable to Prime Value at the end of each month, provided

- The accumulated daily performance fee balance is positive
- The performance of the Fund (net of management fees and administration costs, and after performance fees are deducted) is also positive.

Where the daily performance fee balance is positive but the performance of the Fund is negative, no performance fee is payable and the positive performance fee balance is carried forward as the starting balance for the next month.

## High water mark

Where the performance of the Fund referable to Class B Units is less than the benchmark, the negative performance fee balance is carried forward as the starting balance for the next month and must be offset before future performance fees become payable.

## 9. Estimated Administration Costs

The Responsible Entity is entitled to be reimbursed for certain expenses incurred in managing the Funds. They may include expenses properly incurred in the investment administration, custody, compliance and promotion of the Funds. Other expenses include tax and operating costs, such as audit, unit registry expenses, legal and tax consulting fees, are also recoverable out of the assets of the Funds. The Responsible Entity has a right to recover all proper and reasonable expenses from the Funds and as such, the estimated expenses may increase or decrease accordingly.

## 07 FEES AND OTHER COSTS

### Example of Annual Fees and Costs Table

These tables give an example of how the fees and costs for each Fund can affect an investment over a 1 year period. As the fees are the same for each Fund, the Prime Value Imputation Fund is illustrated.

Example 1 is for a Direct Investment (Class A units) and Example 2 is for an Indirect Investment (Class B units).

The tables can be compared with other managed investment products.

EXAMPLE 1 DIRECT INVESTMENT IN THE PRIME VALUE IMPUTATION FUND (CLASS A UNITS)		BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS OF \$5,000 DURING THE YEAR
Contribution fees	0%	For every additional \$5,000 you put in, you will be charged \$0
<b>PLUS</b> Management costs (Including management fees, administration costs and performance fees.)	1.435%  <b>Plus</b> performance fees of 20.5% of performance (after management fees, administration costs and before performance fees are deducted) in excess of the S&P/ASX 300 Accumulation Index.	<b>And</b> , for every \$50,000 you have in the Fund you will be charged approximately \$718 each year.
<b>EQUALS</b> Cost of fund	See the 'Scenario Table' on page 29 for illustrative worked examples.	If you have 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 of approximately \$718 <sup>1</sup> plus a performance fee if applicable.  What it costs will also depend on the fees you negotiate with your financial adviser, if applicable.

1. This amount assumes a constant investment balance of \$50,000 throughout the year. Management costs are also payable in respect of any additional investment (including the additional \$5,000 contribution shown above in Example 1) and the amount varies depending on the proportion of the year for which such amounts are invested, the performance of the Fund and the timing of any additional investment. If you leave the fund within 12 months of investing, you will also be charged an early withdrawal fee of 2% of the amount withdrawn (\$1,000 for every \$50,000 you withdraw).

EXAMPLE 2 INDIRECT INVESTMENT IN THE PRIME VALUE IMPUTATION FUND (CLASS B UNITS)		BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS of \$5,000 DURING THE YEAR
Contribution fees	0%	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b> Management costs (Including management fees, administration costs and performance fees.)	1.23%  <b>Plus</b> performance fees of 20.5% of out performance	<b>And</b> , for every \$50,000 you have in the Fund you will be charged approximately \$615 each year.
<b>EQUALS</b> Cost of fund	See the 'Scenario Table' on page 29 for illustrative worked samples.	If you have 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 of approximately \$615 <sup>2</sup> plus a performance fee if applicable.  What it costs will also depend on the fees charged by your IDPS operator and the fees you negotiate with your financial adviser, if applicable.

2. This amount assumes a constant investment balance of \$50,000 throughout the year. Management costs are also payable in respect of any additional investment (including the additional \$5,000 contribution shown above in Example 2) and the amount varies depending on the proportion of the year for which such amounts are invested, the performance of the Fund and the timing of any additional investment.

# 07 FEES AND OTHER COSTS

## Example of Annual Fees and Costs Table – Scenario Table

The following tables provide an illustrative worked example of fees and charges for a 1 year investment in the Prime Value Funds, under various investment performance scenarios. It is assumed, for performance fee purposes, that the benchmark return (S&P/ASX 300 Accumulation Index) is 10%.

### DIRECT INVESTMENT (CLASS A UNITS)\*

Initial Investment	Performance (before fees)	Value (before fees)	Management Fees	Other Indirect Costs	Net Return (before performance fees)	Performance Fees	Total Fees	Profit/Loss	Net Return
50,000	-10%	\$45,000	\$584	\$97	-11.4%	\$0	\$682	-\$5,682	-11.4%
50,000	0%	\$50,000	\$615	\$103	-1.4%	\$0	\$718	-\$718	-1.4%
50,000	10%	\$55,000	\$646	\$108	8.5%	\$0	\$753	\$4,247	8.5%
50,000	15%	\$57,500	\$661	\$110	13.5%	\$354	\$1,126	\$6,374	12.7%
50,000	20%	\$60,000	\$677	\$113	18.4%	\$863	\$1,652	\$8,348	16.7%
50,000	25%	\$62,500	\$692	\$115	23.4%	\$1,372	\$2,179	\$10,321	20.6%
50,000	35%	\$67,500	\$723	\$120	33.3%	\$2,390	\$3,233	\$14,267	28.5%

### INDIRECT INVESTMENT (CLASS B UNITS)\*#

Initial Investment	Performance (before fees)	Value (before fees)	Management Fees	Other Indirect Costs	Net Return (before performance fees)	Performance Fees	Total Fees	Profit/Loss	Net Return
50,000	-10%	\$45,000	\$487	\$97	-11.2%	\$0	\$584	-\$5,584	-11.2%
50,000	0%	\$50,000	\$513	\$103	-1.2%	\$0	\$615	-\$615	-1.2%
50,000	10%	\$55,000	\$538	\$108	8.7%	\$0	\$646	\$4,354	8.7%
50,000	15%	\$57,500	\$551	\$110	13.7%	\$377	\$1,038	\$6,462	12.9%
50,000	20%	\$60,000	\$564	\$113	18.6%	\$886	\$1,563	\$8,437	16.9%
50,000	25%	\$62,500	\$577	\$115	23.6%	\$1,396	\$2,088	\$10,412	20.8%
50,000	35%	\$67,500	\$602	\$120	33.6%	\$2,414	\$3,137	\$14,363	28.7%

\* The figures in the tables are for illustrative purposes only and are not indicative of returns likely to be achieved. Returns could be more or less than the examples given. All figures include GST and RITC.

# Total fees for Indirect Investments may be higher than those in the table above. The PDS or other disclosure documents of the relevant IDPS operator will detail the relevant fees and charges applicable.

## 08 TAXATION REPORT

14 June 2007

The Responsible Entity  
Prime Value Growth Fund  
and Prime Value Imputation Fund  
C/- Level 9, 34 Queen Street  
Melbourne Vic 3000



Dear Sir/Madam

### **Prime Value Growth Fund and Prime Value Imputation Fund**

This summary report has been prepared for inclusion in the Product Disclosure Statement (PDS) that is to be dated on or about 17 August 2007, in respect of units to be offered by Prime Value Asset Management Limited ("Prime Value") as Responsible Entity in the Prime Value Growth Fund and the Prime Value Imputation Fund ("the Funds").

As requested our summary report provides a broad outline of the current Australian income tax treatment of investments in the Funds. The outline is based on income tax legislation and announcements current as at 14 June 2007. Each investor's situation is unique, so it is essential that each investor seeks specific tax advice.

Our comments are made specifically in response to your request for a summary tax report. Accordingly, neither Pitcher Partners Advisors Proprietary Limited, nor any member or employee of Pitcher Partners Advisors Proprietary Limited undertakes responsibility in any way whatsoever to any person or company other than Prime Value for any errors or omissions, however caused.

### **TAXATION OF THE FUNDS**

We understand that it is the intention of Prime Value to distribute all the taxable income of the Funds each income year. Therefore the Funds should not be liable for income tax.

### **TAXATION OF INVESTORS**

#### **Australian Resident Investors**

#### **Tax File Numbers and Australian Business Numbers**

Prime Value is required to deduct withholding tax at the highest marginal rate of tax of 45% plus Medicare levy of 1.5% from distributions made to investors who have not quoted their Tax File Number ("TFN") or Australian Business Number ("ABN"). However, it is not compulsory for investors to provide their TFN or ABN.

### **Taxation of income**

Investors must include in their assessable income for tax purposes the net income from their investments that relate to each financial year, whether paid out or reinvested in additional units. This will be the case even when the payment of income does not occur until the following financial year.

### **Imputation credits**

Where the Funds' net income includes franked dividend income, investors will be required to include their share of dividend income and imputation credits in their assessable income.

A tax offset equal to the imputation credits may then be applied against tax payable. Certain taxpayers are entitled to a tax refund if the franking credits received are greater than their tax payable. An investor may be denied franking credits and franking rebates in respect of distributions on units which the investor has not owned and held at risk for a continuous period of 45 days.

### **Foreign tax credits**

An investor's distribution may include foreign sourced income. Where foreign tax has been paid by the Funds in respect of overseas investments, the Funds will generally pass on to investors the benefit of the foreign tax credits for the investors to offset against the Australian tax payable on their foreign income distributions. In order to claim the tax credits, investors must first include the amount of the credits in their assessable income. The amount of the credit may be limited depending on the investor's individual circumstances. Foreign tax credits are not refundable but can be carried forward for five years.

# 08 TAXATION REPORT

## Capital gains tax

Generally, gains arising from the disposal of units in the Funds will be assessable as capital gains where the units were acquired for investment purposes. Where the investor is regarded as a trader, such profits may be regarded as ordinary income. A taxable gain may result from a switching of units between the Funds.

Individuals, certain trusts and complying superannuation entities may qualify for discount capital gains tax treatment in relation to the disposal of units and capital gains included in distributions, where the investment has been held for more than 12 months.

Investors will be notified on their tax statements if a discount is available for capital gains derived by the Funds.

Investment in listed property trusts may provide tax-free and tax-deferred income that is not required to be included as part of an investor's assessable income.

Tax-free income will not reduce the cost base of units unless a capital loss is realised. Tax-deferred income will reduce the cost base of units for Capital Gains Tax purposes.

## Non-Australian Resident Investors

### Taxation of Income

The Funds are required to withhold Australian tax from distributions to non-resident investors for certain types of income. The rate of tax deducted will depend on the type of income distributed and the country of residence of the investor.

Fully franked dividends distributed to non-resident investors are not subject to dividend withholding tax or Australian income tax.

Australian tax law requires Prime Value to deduct Australian tax from unfranked dividends derived and distributed to non-resident unitholders. The rate of tax deducted is generally 30%. However, where the non-resident resides in a country that has a tax treaty with Australia, unfranked dividends are generally subject to 15% withholding tax.

Interest income is generally subject to 10% Australian withholding tax.

Australian sourced income (other than dividends and interest), will generally be subject to tax at non-resident tax rates.

As the Funds will not invest in Australian real property, Capital Gains Tax should not apply to a non-resident investor in respect of either a capital gain distributed to the investor by the Funds, or a gain realised by an investor in respect of their units.

## General comments

Recently, the government released an Exposure Draft to Tax Laws Amendment (Taxation of Financial Arrangements) Bill 2007. The Exposure Draft contains the proposed regime for the taxation of financial arrangements. However, it is not possible to provide any definitive comment on the implications of the proposed regime for investors as the government continues to consult with interested parties in relation to the proposed legislative regime.

## FSRA warning

Pitcher Partners Advisors Proprietary Limited is not licensed to provide financial product advice under the Corporations Act and taxation is only one of the matters that must be considered when making a decision on a financial product. Investors should consider taking advice from an Australian Financial Services Licence holder before making any decision on a financial product.

Yours faithfully

PITCHER PARTNERS ADVISORS PROPRIETARY LIMITED



**M C HAY**

Executive Director

## 09

### ADDITIONAL INVESTOR INFORMATION

#### FEATURES OF THE PRIME VALUE MANAGED INVESTMENT SCHEMES

Each of the Funds is a managed investment scheme registered by ASIC in accordance with the Corporations Act. The Corporations Act requires a registered managed investment scheme to have the following features:

- **A responsible entity.**  
Prime Value is the responsible entity of each Fund and holds an AFSL (Licence no. 222055).
- **A constitution that complies with the Corporations Act.**  
Prime Value has adopted constitutions setting out the relationship between the members and the Responsible Entity in respect to each of the Funds. Each constitution sets out all parties' rights, powers and legal obligations to which the Responsible Entity and members of each Fund are legally bound.
- **A compliance plan.**  
This plan sets out how the Responsible Entity will meet its obligations under the relevant constitution and the Corporations Act. The Responsible Entity has adopted a compliance plan in respect of each Fund. These plans set out how each Fund complies with the terms of its constitution and the Corporations Act. The compliance officer of the Responsible Entity is currently Wayne Morrissey.
- **A custodian.**  
In certain circumstances, a custodian, being an independent party, may be appointed by the Responsible Entity for the purpose of holding the assets of each of the Funds under the direction of the Responsible Entity. The custodian of each Fund in this case is Australia and New Zealand Banking Group Limited ABN 11 005 357 522 AFSL 234527 (ANZ).

#### THE CONSTITUTIONS

The constitutions dated 20 October 2002, as amended, in addition to the Corporations Act 2001, govern the operation of the PVGF and PVIF and the rights and obligations of the responsible entity and members. A copy of the constitution can be inspected at Prime Value's registered office and will be sent to members free of charge. The constitutions for both Funds, which are identical in all material respects, include provisions regarding:

- (a) How to apply for units and issue prices
- (b) How to withdraw and withdrawal prices
- (c) How to transfer or switch between Funds
- (d) The role of the responsible entity
- (e) How distributions are made
- (f) Valuation of scheme assets
- (g) Remuneration and expenses of the responsible entity
- (h) Indemnity and limitation of liability of the responsible entity

The responsible entity may amend the constitutions, provided such amendments are not reasonably considered to be adverse to members.

#### COMPLIANCE PLAN

The Directors of the Responsible Entity adopted compliance plans for the PVGF and PVIF on 15 November 2004 which, in relation to material provisions, are identical in nature. The compliance plans (as amended, from time to time) describe the measures the Responsible Entity intends to take to meet the requirements of the Corporations Act 2001 and the constitution for operating the Funds. Copies of the compliance plans can be inspected at the Responsible Entity's registered office and will be sent to members, free of charge, on request.

The compliance plans include provisions regarding:

- (a) The role of the compliance plans
- (b) Processes
- (c) The board of directors
- (d) The compliance officer
- (e) Auditing the compliance plan

#### CALCULATION OF UNIT PRICES

Prime Value, at the close of business on each Business Day, will determine the value of the assets of each Fund, and each class in the Fund. Valuations will be based on the current market value of the assets, which is based on the closing price of the equities invested in each of the markets. Valuation of derivative positions may be obtained from external parties such as the custodian or a licensed broker.

The value of cash includes accrued income not yet paid.

#### INDIRECT INVESTORS (CLASS B UNITHOLDERS)

Indirect Investors, investing through an IDPS or IDPS-like scheme such as a master trust or platform, do not complete the application form and do not themselves become investors in the Funds. As such, they do not acquire the rights of an investor in the Funds. The IDPS operator is generally the investor.

Indirect Investors do not receive income or reports directly from Prime Value nor are they entitled to attend meetings or participate in the winding up of the Funds. The amount and timing of distributions received by an Indirect Investor may also be different from those received by Direct Investors and from those referred to in this PDS.

You should refer to the documentation relating to your IDPS or IDPS-like scheme for further information, including details of any additional fees and charges that may apply.

Indirect Investors can still rely on the information contained in this PDS.

#### APPOINTMENT OF AUTHORISED NOMINEE

The Responsible Entity may cancel the appointment of an authorised nominee by giving the investor 30 days notice in writing. If an appointment is cancelled, the Responsible Entity will not be obliged to act on the instructions of the authorised nominee. If the instructions are varied, the Responsible Entity will act only in accordance with the varied instructions.

The Responsible Entity is released, discharged and indemnified from and against any losses, liabilities, actions, proceedings, account claims and demands arising from it acting on instructions of the authorised nominee. If the authorised nominee's instructions are followed by the Responsible Entity, the investor or another person shall have no claim against the Responsible Entity in relation to the instructions.

If a company is appointed an authorised nominee, the powers will extend to any director and authorised officer of that company. If a partnership, the powers will extend to all partners.

#### CUSTODIAN

Australian and New Zealand Banking Group Limited has been appointed custodian of each of the funds under a Custody Agreement. ANZ has been providing domestic and securities clearing for over 50 years in Australia and New Zealand. Their client base includes international and domestic institutional investors, banks, global custodians, fund managers and local superannuation funds.

The Responsible Entity has engaged ANZ as custodian to perform certain custodial services associated with the holding of and dealing with the property of the Funds. In particular, the custodian is authorised to do the following:

- Purchase or dispose of all or part of the property of the Funds in accordance with the instructions of the Responsible Entity;
- Receive and hold the property of the Funds and all documents of title relating to the property of Funds in safe custody, provided the property is clearly identified as property of the Funds and is held separately from the custodian's own assets;
- Register any of the property of the Funds if required, in the custodian's name;
- Establish a bank account for the Funds;
- Receive money from the applicants for the purchase of investments; and
- Distribute income distributions in accordance with the Responsible Entity directions.

**COMPLAINTS PROCEDURES**

The Responsible Entity takes complaints seriously and has established a complaints process for handling any disputes under its constitution as a consumer protection measure. The Responsible Entity will acknowledge all complaints in a timely manner and will investigate, consider and decide what action to take or offer, regarding the complaint. Communication of the decision regarding the complaint will generally be responded to within 14 days. However, there may be instances where it may take longer to respond to the complaint, in which case the Responsible Entity will contact the investor and confirm receipt of the complaint and communicate the Responsible Entity's need to consider the complaint for a longer period of time. In the first instance, an investor should contact the Compliance Officer directly by telephoning on +61 3 9620 7762 or by fax on +61 3 9620 7776, or in writing to:

**Compliance Officer**  
**Prime Value Asset Management Limited**  
**Level 9, 34 Queen Street**  
**Melbourne Vic 3000**

The Responsible Entity is also a member of the Financial Industry Complaints Service (FICS), and an investor may decide to contact them in the event they are not satisfied with the Responsible Entity's handling of their concerns or decision. The FICS is an independent complaints resolution service.

**Financial Industry Complaints Service Ltd**  
**PO Box 579**  
**Collins Street West**  
**Melbourne Vic 8007**  
**Telephone: toll free 1 800 780 808**  
**Facsimile: +61 3 9621 2291**

**PRIVACY**

Prime Value collects information about investors and privacy laws apply to the collection and handling of this personal information. Generally, the information collected and stored include an investor's name, address, telephone number, tax file number, date of birth and details of any correspondence received. Prime Value may disclose personal information to related or external parties who provide services to the Funds (such as custodial and registry service providers) or as required by law. If an investor provides details about his/her financial adviser, Prime Value will disclose personal information to the adviser or staff of the adviser unless instructed otherwise. In all cases, the personal information is collected and provided to maintain the investor's account and provide quality service. Investors are able to access the personal information held about them and are requested to ensure that the information held by Prime Value is accurate and up-to-date. See Prime Value's privacy policy at [www.primevalue.com.au](http://www.primevalue.com.au).

**COOLING OFF RIGHTS**

An Investor has the right to return the units acquired under this PDS and to have the money paid to acquire the units repaid. The right to return the units must be exercised by the Investor notifying the Responsible Entity, either in writing or by email. This right to return the units subscribed for under this PDS can only be exercised during the 14-day period starting on the earlier of:

- The time when the confirmation of the investment is made; or
- The end of the fifth day after the day on which the units were issued to the Investor.

If an Investor reconsiders his or her decision to invest in one of the Funds within that 14 day period and notifies Prime Value before the expiry of 14 days, then the Investor is entitled to receive his or her application money back adjusted to allow for any adverse market movements and after deductions for reasonable transactions costs.

**ANTI MONEY LAUNDERING (AML) AND COUNTER-TERRORISM FINANCING (CTF) ACT 2006**

The AML/CTF Act received Royal Assent on 12 December 2006, and will be implemented in stages over the next two years. Reporting entities that fall within the ambit of the AML/CTF Act are required to meet a number of obligations. As one such reporting entity, Prime Value's obligations include:

- customer identification and verification of identity;
- additional record keeping requirements; and
- ongoing customer due diligence and reporting (such as suspicious matters, threshold transactions and international funds transfer instructions).

Prime Value is committed to meeting its obligations and establishing the required compliance program under the AML/CTF Act. Complying with obligations such as customer identification and verification of identity, for example, may require Prime Value to introduce changes to the current application process to ensure Prime Value is fulfilling its obligations. Any such changes will be accordingly communicated to investors.

**CONSENTS**

Each of the directors of the Responsible Entity has given, and has not withdrawn, at the date of this PDS, their consent to the issue of this PDS.

Baker & McKenzie has given, and has not withdrawn, its consent to be named in this PDS as legal adviser to Prime Value Asset Management Limited, in the form and context in which it is named. It has not authorised or caused the issue of this PDS and takes no responsibility for any part of this PDS other than the references to its name.

Pitcher Partners has given and has not withdrawn its consent to be named in this PDS:

- (a) as auditor of the Funds; and
- (b) in the form and context in which it is named.

Pitcher Partners are also responsible for the preparation of the taxation report which appears as Section 8 of this PDS. Pitcher Partners has consented to be named in this PDS as performing this role in the context in which it is named. It has not authorised or caused the issue of this PDS and takes no responsibility for any other parts of this PDS other than as above and in respect of the information contained in Section 8.

Australian and New Zealand Banking Group Limited has given and, at the date of this PDS has not withdrawn, its consent to be named in the PDS as custodian to the Funds in the form and context in which it is named. It has not issued this PDS or authorised or caused the issue of this PDS and, to the extent permitted by law, takes no responsibility for any part of this PDS.

**DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal office hours at the registered office of Prime Value Asset Management Limited, Level 9, 34 Queen Street, Melbourne:

- The Constitutions
- The Compliance Plans
- The Custody Agreement
- The annual financial reports most recently lodged with ASIC\*
- Any continuous disclosure notices given by the scheme after the lodgement of the most recent annual financial reports
- Proxy Voting Policy

\*These documents may also be viewed at any ASIC office.

## GLOSSARY OF TERMS

In this Product Disclosure Statement, the following terms have the meanings as set out, unless the context otherwise requires:

**A\$ or \$** means, unless the context otherwise specifies, Australian Dollars.

**AFSL** means Australian Financial Services Licence;

**APIR® Code** means a unique identifier issued by APIR® to participants and products within the Financial Securities Industry;

**ASIC** means the Australian Securities & Investments Commission;

**ASX** means Australian Stock Exchange Limited;

**Business Day** means a day which is not a Saturday, Sunday or public or bank holiday in Melbourne;

**Class A Unit** means a Unit held by a Class A Unitholder;

**Class A Unitholder** means a Direct Investor;

**Class B Unit** means a Unit held by a Class B Unitholder;

**Class B Unitholder** means an Indirect Investor;

**Corporations Act** means the Corporations Act 2001 (Cth);

**Custody Agreement** means the custody agreement entered into by Prime Value and Australian and New Zealand Banking Group Limited dated 31 May 2007 under which ANZ is appointed as the custodian of the assets of the Funds;

**Direct Investment** means an investment made directly with Prime Value, using the application form attached to this PDS. It includes investments made through a financial adviser, where that investment is made on the application form;

**Direct Investor** means a holder of Class A units, who invests directly into the Funds;

**FICS** means the Financial Industry Complaints Service;

**Funds** means the Prime Value Growth Fund and the Prime Value Imputation Fund;

**GST** means goods and services tax payable under A New Tax System (Goods and Services Tax) Act 1999;

**IDPS** mean an Investor Directed Portfolio-like Service, such as a master trust or platform;

**IFSA** means the Investment and Financial Services Association;

**Indirect Cost Ratio** means the ratio of the Funds' management costs, not deducted directly from an Investor's account, to the Funds' total average net assets;

**Indirect Investment** means an investment made through an IDPS or IDPS-like service;

**Indirect Investor** means a holder of Class B units who invests through an IDPS or IDPS-like scheme such as a master trust or platform;

**Individual Managed Accounts or IMAs** means discrete portfolios tailored to meet the individual requirements of clients. They are suited to investors who wish to retain direct ownership of their investments, while benefiting from the specialised services of professional investment managers;

**Manager** means Prime Value;

**Offer** means the invitation to Investors to subscribe for units and "Offered" has a corresponding meaning;

**PDS** means this Product Disclosure Statement;

**Prime Value** means Prime Value Asset Management Limited (ABN 23 080 376 110);

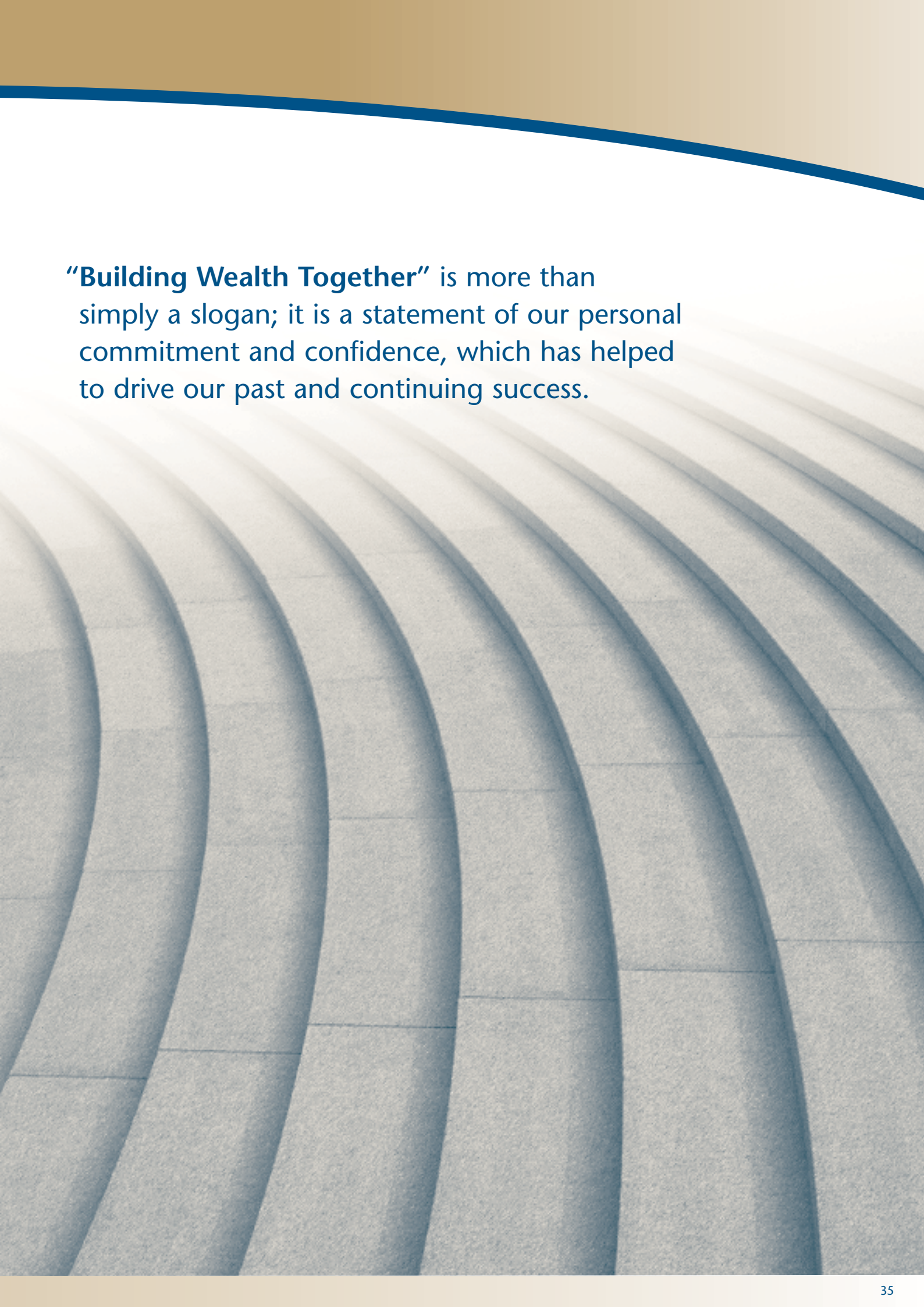
**PVGF** means the Prime Value Growth Fund;

**PVIF** means the Prime Value Imputation Fund;

**Responsible Entity** means Prime Value;

**RITC** means Reduced Input Tax Credits as it applies to a reduction in GST;

**Unit** means a unit in the PVGF, or the PVIF, as the context requires.



**“Building Wealth Together”** is more than simply a slogan; it is a statement of our personal commitment and confidence, which has helped to drive our past and continuing success.

## GUIDE FOR COMPLETING THE APPLICATION FORM

You must read the PDS before completing the application form.

Please indicate whether this is an initial or additional investment. If an additional investment, include your investor code.

Investments through an IDPS or IDPS-like scheme such as a master trust or platform will require the completion of an application form provided by the relevant IDPS operator, with payment provided to the IDPS provider.

### INVESTOR DETAILS:

The table below provides some guidance in completing the application form.

Type of Investor	Correct	Incorrect	Signature(s) Required	TFN(s) Required
<b>Individual and joint holdings</b> Use given names in full, not initials.	John Peter Smith or John Peter Smith and Anne Elizabeth Smith	J P Smith or J P Smith and A E Smith	The individual and all joint applicants	Each applicant's
<b>Partnership</b> Use the partners' personal names, not the name of the partnership.	John Peter Smith and John Peter Smith Jnr	John Smith and Son	All partners	The partnership's
<b>Company</b> Use the company title, not abbreviations.	Sample Pty Ltd	Sample P/L Sample Co.	Two directors; or a director and a company secretary; or, if there is a single director, by that director	The company's
<b>Superannuation fund or trust</b> Use the name of the trustee(s), not the name of the super fund or trust.	John Peter Smith Pty Ltd (ATF John Smith Pty Ltd Super Fund) or Anne Elizabeth Smith (ATF Anne Smith Family Trust)	John Smith Super Fund or Anne Smith Family Trust	The Trustee(s), "as trustee(s) for..."	The superannuation fund's or trust's
<b>Minor</b> (A person under the age of 18 years). The name of the responsible adult, not the minor, as the Investor.	John Peter Smith (John Peter Smith Jnr account)	John Peter Smith Jnr	All adults investing on behalf of the minor	All adults'

### METHODS OF PAYMENT:

(i) Cheque – Please make cheques payable to **Prime Value Asset Management Ltd (Growth Fund)** and/or **Prime Value Asset Management Ltd (Imputation Fund)** depending on the Fund chosen. If both Funds are selected for investment, please send two cheques, each made out to the relevant Fund for the amount invested. Cross "Not Negotiable" and attach to the application form.


(ii) Electronic A\$ transfer – electronically deposit application monies to:

**Account Name: Prime Value Asset Management Ltd (Growth Fund)**

Bank: ANZ Banking Group Limited  
Swift Code: ANZBAU3M  
BSB: 013-247 Account Number: 3529-06033

**Account Name: Prime Value Asset Management Ltd (Imputation Fund)**

Bank: ANZ Banking Group Limited  
Swift Code: ANZBAU3M  
BSB: 013-606 Account Number: 4998-50433

(iii)  Please contact your financial institution to make a payment from your cheque or savings account. You will need to quote both the BPAY® Biller Code of the fund (refer below) and your Customer Reference Number. Please contact us for your Customer Reference Number.

**Prime Value Growth Fund:**

BPAY Biller Code: 263103

**Prime Value Imputation Fund:**

BPAY Biller Code: 646612

®Registered to BPAY Pty Ltd ABN 69 079 137 518

Completed application forms and application monies can be sent by mail, hand delivered or couriered to:

**Prime Value Asset Management Limited**

Level 9, 34 Queen Street  
Melbourne, Victoria, Australia 3000

# APPLICATION FORM

You must read the Product Disclosure Statement dated 17 August 2007 before completing this application form.

Terms used in this application form have the same meaning as defined in this PDS.

Completed application forms and application monies should be sent to Prime Value Asset Management Limited, Level 9, 34 Queen St, Melbourne, Victoria 3000.

Under the Funds' constitution, Prime Value has an absolute discretion to accept or refuse an application. Failure to accurately complete the relevant sections of the application form or to not identify any electronic transfer of application amounts appropriately may result in processing delays or refusal of investment.

THIS FORM CAN BE COMPLETED ELECTRONICALLY, THEN PRINTED AND SIGNED.

ALTERNATIVELY THE FORM CAN BE PRINTED, THEN COMPLETED USING BLACK OR BLUE INK. PLEASE USE CAPITAL LETTERS.

## 1. APPLICATION TYPE

Initial Investment   
  Additional Investment – existing Investor Code

## 2. INVESTOR DETAILS

### Investor 1 (Individual / Joint Applicant)

Title (Dr, Mr, Mrs, Ms, Miss)  Male  Female  Date of Birth

Given Name(s)

Surname

### Investor 2 (Joint Applicant)

Title (Dr, Mr, Mrs, Ms, Miss)  Male  Female  Date of Birth

Given Name(s)

Surname

### Company / Trust / Superannuation Fund

Name

Contact Person

## 3. SECURITY QUESTIONS (for identification)

Please indicate two confidential questions and answers that can be used to identify you over the phone.

An example may be, Q. What is the name of your first pet? A. Max

Question 1

Answer

Question 2

Answer

#### 4. TAX FILE NUMBER (TFN)

##### Investor 1

TFN\*

If you have a TFN exemption please provide details.

or exemption

##### Investor 2

TFN\*

If you have a TFN exemption please provide details.

or exemption

##### Company/Trust/Superannuation Fund

TFN\*

ABN

If you have a TFN exemption please provide details.

or exemption

##### Non-residents

If you are a non-resident investor, please indicate your country of residence for tax purposes.

\* Quotation of your tax file number (TFN) is optional. If you do not supply your TFN or ABN, tax will be deducted from distributions payable to you at the highest marginal tax rate plus the Medicare Levy.

#### 5. CONTACT DETAILS

##### Postal Address

Address

Suburb/City

State

Country

Postcode

##### Residential Address (if different from Postal Address)

Address

Suburb/City

State

Country

Postcode

##### Telephone & Email Details

Phone (AH)

Phone (BH)

Mobile

Fax

Email

#### 6. INVESTMENT DETAILS

Enter the dollar amount next to the Fund(s) you wish to invest in and tick the method of payment

Prime Value Growth Fund

\$

Cheque

EFT

BPAY

Prime Value Imputation Fund

\$

Cheque

EFT

BPAY

**For CHEQUES** If paying by cheque, please make cheque(s) payable to:

**Prime Value Asset Management Ltd (Growth Fund) and/or  
Prime Value Asset Management Ltd (Imputation Fund)**

If you are investing in both Funds, please send two cheques.

## 6. INVESTMENT DETAILS (continued)

### For ELECTRONIC TRANSFERS

	Bank	BSB	Account No	Account Name
PVGF	ANZ	013-247	3529 06033	Prime Value Asset Management Ltd (Growth Fund)
PVIF	ANZ	013-606	4998 50433	Prime Value Asset Management Ltd (Imputation Fund)

For BPAY – please refer to page 36 of PDS.

## 7. INCOME DISTRIBUTION DETAILS

I/We wish to receive distributions

### Prime Value Growth Fund

- reinvested as additional units or  
 credited to my nominated bank account below

### Prime Value Imputation Fund

- reinvested as additional units or  
 credited to my nominated bank account below

Please note: If you do not nominate how your distributions are to be received, it will automatically be reinvested into the relevant Fund.

## 8. BANK ACCOUNT DETAILS

Please provide your bank account details if you nominated for your distributions to be paid into your bank account above.

Financial Institution

Branch

BSB  Account Number

Account Name

## 9. ANNUAL FINANCIAL STATEMENTS

We will provide a copy of the Fund's Annual Financial Reports on our website [www.primevalue.com.au](http://www.primevalue.com.au).

- Tick the box if you would also like to receive a hard copy in the mail.

## 10. ADVISER DETAILS (if applicable) Please refer to Section 7 of the PDS, "Fees and Other Costs"

Adviser Name

Company Name

Address

Suburb/City  State

Country  Postcode

Phone (BH)  Fax  Mobile

Adviser Email

Administration Email (for commission payments – if different from the Adviser's email)

Dealer Group  AFSL No

### Adviser Payment Details (if applicable)

- Upfront Adviser Commission \$  or  %
- Ongoing Adviser Commission 0.  %

This is paid for by the fund manager and is not an additional fee to the investor

## 11. AUTHORISED NOMINEE APPOINTMENT (Please complete only if an authorised nominee is required)

Name of Authorised Nominee

Signature of Authorised Nominee

Signature of Investor(s)

## 12. DECLARATIONS

In signing this application form, I/we agree to the following terms and conditions:

- I/we have read the PDS to which this application form is attached;
- By signing this application form, I/we agree to be bound by the terms of the constitutions.
- I/we acknowledge that neither Prime Value nor any other person or entity guarantees the value or performance of this investment;
- Prime Value may accept your application in whole or in part;
- Prime Value will disclose your personal information to your financial adviser (if you provide their details at Section 10 of the application form) in relation to the investment described on this form;
- Prime Value will cease to disclose this information if notified that the financial adviser no longer acts on your behalf;
- As Prime Value is required to comply with the Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) Act 2006, I/we undertake to provide Prime Value with such additional information or documentation as Prime Value may request, from time to time, to ensure its compliance with such requirements.

## 13. SIGNATURE(S) Joint applicants must both sign. Applications under a Power of Attorney must be accompanied by a certified copy of the power.

Signature

Print Name (in full)

Tick capacity (mandatory for companies)

Sole Director

Director

Company Secretary

Date

Signature

Print Name (in full)

Tick capacity (mandatory for companies)

Director

Company Secretary

Date

**Company Seal** (if applicable)

WHEN CLOSING THE FILE THE DATA ENTERED WILL NOT BE SAVED,  
**THEREFORE PLEASE REMEMBER TO PRINT BEFORE CLOSING.**

**CLEAR FORM**

**PRINT FORM**

POST TO: **PRIME VALUE**  
LEVEL 9, 34 QUEEN STREET  
MELBOURNE, VIC 3000

NEW INVESTORS MUST ALSO COMPLETE  
THE INVESTOR IDENTIFICATION FORM

**VIEW INVESTOR ID FORM**

Important Note:

Persons external to Prime Value or other entities who market Prime Value products are not agents of Prime Value but are independent advisers. Prime Value will not be bound by representations or statements which are not contained in information disseminated by Prime Value.

All personal information provided on this application form will be dealt with in accordance with Prime Value's privacy statement. See [www.primevalue.com.au](http://www.primevalue.com.au)

## **CORPORATE DIRECTORY**

### **RESPONSIBLE ENTITY AND MANAGER**

#### **Prime Value Asset Management Limited**

Prime Value House  
Level 9, 34 Queen Street,  
Melbourne, Victoria, Australia 3000  
Telephone: +61 3 9620 7762  
Facsimile: +61 3 9620 7776  
Email: [info@primevalue.com.au](mailto:info@primevalue.com.au)  
Website: [www.primevalue.com.au](http://www.primevalue.com.au)

### **CUSTODIAN**

#### **Australia and New Zealand Banking Group Limited**

Level 25, 530 Collins Street,  
Melbourne, Victoria, Australia 3000  
Telephone: +61 3 9273 3347  
Facsimile: +61 3 9273 2650

### **AUDITOR**

#### **Pitcher Partners**

Level 19, 15 Williams Street,  
Melbourne, Victoria, Australia 3000  
Telephone: +61 3 8610 5000  
Facsimile: +61 3 8610 5999

### **LAWYERS**

#### **Baker & McKenzie**

Level 39, Rialto, 525 Collins Street,  
Melbourne, Victoria, Australia 3000  
Telephone: +61 3 9617 4200  
Facsimile: +61 3 9614 2103



Prime Value Asset Management Limited is a member of the Investment and Financial Services Association (IFSA). IFSA member companies must comply with standards set by the Association, which are primarily designed to inform and assist investors.

