

# PRODUCT DISCLOSURE STATEMENT

# ATLAS HIGH INCOME PROPERTY FUND

21 June 2017

## IMPORTANT INFORMATION

This product disclosure statement (PDS) contains a summary of significant information in relation to the Atlas High Income Property Fund ARSN 618 658 567 (Fund). It also includes references to additional important information (all of which forms part of this PDS) contained in the document titled 'Additional Information Booklet' that can be obtained free of charge on request by calling One Managed Investment Funds Limited (OMIFL) on +61 (02) 8277 0000 or by downloading it from the website [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas). You should read and consider both this PDS and the Additional Information Booklet before making a decision whether to invest in the Fund.

The information provided in this PDS and the Additional Information Booklet is general in nature and does not take into account your personal objectives, financial situation or needs. Investors should seek independent financial advice tailored to their own needs and circumstances before making a decision whether to invest in the Fund. The PDS (including an electronic version) does not constitute an offer of interests in any jurisdiction other than Australia and the offer under the PDS may only be accepted in Australia. Applications from outside Australia will not be accepted through the PDS. Units are not intended to be sold to US Persons as defined under Regulation S of the US federal securities laws. A paper copy of this PDS may be obtained free of charge on request by calling OMIFL on +61 (02) 8277 0000.

None of OMIFL, Atlas Funds Management Pty Ltd or any of their related entities, directors or officers guarantees the repayment of capital, the receipt of distributions or the performance of the Fund.

The **Responsible Entity** of the Atlas High Income Property Fund is:

**One Managed Investment Funds Limited**

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AFSL 297042

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Website: [www.oneinvestment.com.au](http://www.oneinvestment.com.au)

The **Investment Manager** of the Atlas High Income Property Fund is:

**Atlas Funds Management Pty Ltd**

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AFSL 491395

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Sydney NSW 2000

Phone: +61 (02) 8304 5190

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ATLAS HIGH INCOME PROPERTY FUND  
ARSN 618 658 567  
APIR OMF9290AU  
mFund AFM01

## UPDATED INFORMATION

Information in this PDS is subject to change from time to time and may be updated by us if it is not materially adverse to you. Please check the website ([www.atlasfunds.com.au](http://www.atlasfunds.com.au)) or call your financial adviser or OMIFL for updated information before investing. A paper copy of any updates will be provided free of charge on request by calling OMIFL on +61 (02) 8277 0000.

# 1. About One Managed Investment Funds Limited

## The Responsible Entity

One Managed Investment Funds Limited (**OMIFL** or **Responsible Entity** or **we, us, our**) is the issuer of this PDS and of units in the Fund. OMIFL is the responsible entity of the Fund and holds title to the Fund's assets. OMIFL is part of the One Investment Group (**OIG**). OIG is an independent funds management business specialising in providing responsible entity, trustee, custody and administration services. OIG is responsible for a large number of funds investing in a wide range of underlying asset classes including infrastructure, real estate, equities, fixed income, private equity and fund of funds. As responsible entity of the Fund, our role is to ensure the operation of the Fund is in accordance with the Constitution and, where relevant, the Corporations Act.

## The Investment Manager

OMIFL has appointed Atlas Funds Management Pty Ltd (**Atlas**) (AFSL 491395) as the investment manager for the Fund. Atlas is a Sydney based boutique asset manager, established in 2017, specialising in investments in listed and unlisted securities and the enhancing of the income generated by implementing a call option strategy. Please see section 5 of this PDS for more information. Its management team has a long track record of producing consistent returns for retail and institutional investors. Hugh Dive BEC/LLB, CFA is the Chief Investment Officer of Atlas. Further information about Atlas' key personnel may be found on its website: [www.atlasfunds.com.au](http://www.atlasfunds.com.au).

# 2. How the Fund works

## Structure of the Fund

The Fund is a registered managed investment scheme under the Corporations Act.

The Fund accepts money from investors and directly invests this money in accordance with its investment strategy. It does not currently invest through an underlying fund, although it may do so in the future. Should the Fund invest in another one of Atlas' funds in the future, management costs will be rebated.

The Fund is structured as a unit trust. This means that as a unit holder you have a fixed beneficial interest in the assets of the Fund calculated as the proportion your unit holding bears to all of the units in the Fund which have been issued. You do not however have a right to demand that any particular assets of the Fund be transferred to you. ASIC has a website [www.moneysmart.gov.au](http://www.moneysmart.gov.au) that has more information on managed investment schemes.

## Prices of your units

When you invest in the Fund you will be issued units based on the issue price. When you withdraw from the Fund your units are redeemed at the withdrawal or exit price.

The issue price and the exit price of your units are determined on each business day. In summary, the price per unit is determined by dividing the total current value of the Fund's assets (after deducting any liabilities) by the number of units on issue. The unit price may therefore be influenced by movements in the value of the Fund's investments and the unit price may vary as the market value of the Fund's investments rises and falls.

When applying for or redeeming units, the unit price you pay or receive will also be adjusted on account of the buy-sell spread. The buy-sell spread is an adjustment which takes into account any buying and selling costs associated with the underlying assets of the Fund (e.g. brokerage). See section 6 of this PDS and section 3.8: *Buy-sell spread* of the Additional Information Booklet for further information. For a copy of OMIFL's unit pricing policy, please contact OMIFL. Unit prices for the last year will be displayed on Atlas' website - [www.atlasfunds.com.au](http://www.atlasfunds.com.au). Older prices can be obtained by contacting OMIFL.

Investors should be aware that the unit price may vary by material amounts, even over short periods of time, including during the period between a redemption request being made and the time the exit price is calculated.

## Minimum Investment

The minimum investment you may make in the Fund is \$10,000. Subsequently, amounts in addition to this minimum investment may be contributed in amounts of not less than \$2,000. OMIFL reserves the right to change these amounts at any time either generally or on a case by case basis.

## Transacting via mFund

The units of the Fund are expected to be admitted as an mFund product under the ASX Operating Rules. We will provide an update of when the units are admitted as an mFund product on the website [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas). mFund is a managed fund settlement service that uses CHESS, the ASX's electronic settlement service. When and while the units are admitted as an mFund product, you may apply for units and make withdrawal requests through mFund using your ASX Broker. The mFund Settlement Service does not facilitate on-market buying and selling between investors. The units settled through the mFund Settlement Service are issued and redeemed by us. For more information see section 1.2: *Investing in the Fund through mFund* and section 9: *mFund Investors* of the Additional Information Booklet. Investors investing through mFund should read this PDS and the Additional Information Booklet in their entirety. The Additional Information Booklet is available at [www.mFund.com.au](http://www.mFund.com.au) when and while the units are admitted as an mFund product or [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas) or by calling us on +61 (02) 8277 0000.

## Applications

An application for units may be made in either of the following ways:

- by completing the application form which can be found at [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas) and on Atlas' website - [www.atlasfunds.com.au](http://www.atlasfunds.com.au) (*direct application*)
- when and while the units are admitted as an mFund product, by using your ASX Broker through the mFund Settlement Service (*mFund application*).

For more information please see section 8 of this PDS on how to apply.

Applications will generally be processed on a business day. The cut-off time each business day for receiving applications is 11.00am Sydney time. However, the cut-off times for some ASX Brokers may be earlier or later. Completed applications received before the Fund's cut-off time will be processed using the issue price for that day. Applications received or completed after that time will be taken to have been received before the cut-off time on the next business day and will be processed on that day.

A direct application will only be considered a “completed application” when OMIFL receives the application form, the identification documents required under the application form and the application money in cleared funds. For mFund applications, any errors made on the application instruction, may result in the order being rejected by the Registrar. Any rejected orders will not be processed and will require resubmission through your ASX Broker.

Confirmation of an investment will normally be issued within 5 business days after the application is processed. Interest will not be paid on your application money.

You can increase your investment at any time:

- by completing and sending to us an Additional Investment form which is available at [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas) together with your investment amount
- when and while the units in the Fund are admitted as a mFund product, by contacting your ASX Broker to increase your investment using the mFund Settlement Service.

OMIFL reserves the right to accept or reject any applications for units in whole or in part. Interest will not be paid on your application money.

## Withdrawals

Atlas recommends that you keep your investment in the Fund for a minimum period of 5 years in order to maximise returns.

When the Fund is ‘liquid’ (as defined in the Corporations Act), you may make withdrawal requests for all or part of your investment in accordance with the procedure set out in the Constitution. To withdraw all or some of your investment;

- you will need to complete a Redemption Request form available at [www.oneregistryservices.com.au/investors](http://www.oneregistryservices.com.au/investors)
- when and while the units admitted to the mFund Service, by using your ASX Broker through the mFund Settlement Service.

The cut-off time for receiving withdrawal requests for units is 11.00am on each business day. However, the cut-off times for certain ASX Brokers may be earlier or later. Withdrawal requests received before the cut-off time will be processed using the withdrawal price calculated on that business day. Withdrawal requests received after the cut-off time will be taken to be received on the next business day and will be processed on that day at that day’s withdrawal price.

Withdrawal proceeds are usually paid within 10 business days after the withdrawal request is processed (although the Constitution allows for 21 days) and are paid by direct credit to your nominated Australian financial institution account. If you are investing through mFund, any errors made on the withdrawal instruction may result in the order being rejected by the Registrar. Any rejected orders will not be processed and will require resubmission through your ASX Broker.

In certain circumstances, such as a suspension of withdrawals, or where the Fund is ‘illiquid’ (as defined in the Corporations Act), or where we stagger the withdrawal in accordance with the Constitution provisions, you may have to wait a longer period of time before you can redeem your investment. See section 1.5: *Withdrawals* of the Additional Information Booklet for more information.

## Distribution policy

Atlas’ objective is for the Fund to distribute all its net income each year to unit holders. It is intended that quarterly distributions of at least 2.0% of the Net Asset Value (**NAV**) per unit are made each quarter. Should the Fund not generate sufficient net income to cover the distribution in any financial year, then part or all of any distribution may be a return of capital. Interim distributions of 2.0% of the NAV will generally be made within 30 days following the quarters ending September,

December and March each year. The final distribution (for the June quarter) will be the higher of 2.0% of NAV or the excess net income and realised capital gains generated during the year over the interim distributions paid and Fund expenses, and may take longer than 30 days for payment. See section 5: *Distributions* of the Additional Information Booklet for more information. Any changes to the distribution policy will be notified to investors.

## Distribution reinvestment plan

You may choose on the application form to have your distributions reinvested as additional units via the Fund’s distribution reinvestment plan, or paid directly to your nominated Australian bank account. Thereafter, if you wish to change your distribution payment instructions, a Payment Election form can be obtained by contacting the Registrar on +61 (02) 8188 1510 or by downloading a form from [www.oneregistryservices.com.au/investors](http://www.oneregistryservices.com.au/investors). Distribution payments will not be paid by cheque. If at any time you have not nominated a current Australian bank account into which the Fund may credit payments to you, OMIFL will reinvest your distributions. The buy spread does not apply to a reinvestment.

Investors should be aware that there may be tax implications associated with the reinvestment of your income entitlement.

## 3. Benefits of investing in the Fund

### Significant features

The Fund is an actively managed portfolio predominantly of Australian listed (or soon to be listed) property securities and property related securities, as well as certain derivatives and cash. Atlas will strive to ensure that the Fund maintains a competitive edge through:

- exploiting many years of management team experience available from Atlas; and
- deploying persistent and focused research processes which seek to generate continual enhancement to investment and risk management strategies.

### Significant benefits

An investment in the Fund offers the following significant benefits:

- access to an active investment strategy that seeks to provide stable and regular returns that over time are expected to exceed the Fund’s chosen benchmark;
- regular and consistent income stream generated by the investment strategy utilised by the Fund’s investment manager;
- access to investment opportunities and diversification that individual investors usually cannot achieve on their own;
- participation in any income distributions from the Fund; and
- investor communications including monthly updates and annual tax statements to keep you up to date on your investment.

You should read the important information about the benefits of investing and the features of the Fund before making a decision. Go to the Additional Information Booklet available from [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas); in particular, section 1: *Features and benefits*. The material relating to the benefits and features may change between the time when you read this PDS and the day when you make your application for units.

## 4. Risks of managed investment schemes

You should read the important information about the risks of managed investment schemes before making a decision. Go to the Additional Information Booklet available from [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas); in particular, section 2: *Risks of managed investment schemes*. The material relating to risks of investing may change between the time when you read this PDS and the day when you make your application for units.

All investments carry a certain level of risk. Managed investment schemes may invest in a range of asset classes, for example, cash, bonds, equities and property, each of which offers different levels of risk. The likely investment return, and the level of risk of losing money, differs among managed investment schemes depending on the underlying mix of assets. Typically, those assets with potentially the highest return also have the highest risk of losing money over the short term.

When considering investing in any managed investment scheme, it is important to understand that:

- the value of your investment will go up and down;
- returns are not guaranteed;
- you may lose some or all of your money;
- the level of returns will vary, and past performance and returns are not an accurate predictor of future performance and returns;
- laws affecting your investment in a managed investment scheme may change; and
- the appropriate level of risk for you will depend on your age, investment time frame, where other parts of your wealth are invested and how tolerant you are to the possibility of losing some of your money.

When deciding whether to invest in this Fund, you must decide whether your financial situation permits you to participate in an investment that involves a medium to high degree of risk. You may lose a substantial portion or even all of the money you invest in the Fund.

Risk can be managed but it cannot be completely eliminated. Some of the significant risks of an investment in the Fund are listed below.

### Fund Specific Risks

#### Liquidity and withdrawal risk:

Under abnormal or difficult market conditions some normally liquid assets may become illiquid, restricting our ability to sell them and to make withdrawal payments to investors without a potentially significant delay.

#### Fund risk:

These are risks specific to managed investment schemes. These risks include that the Fund could terminate, the fees and expenses of the Fund could change, OMIFL may be replaced as the responsible entity, Atlas may be replaced as investment manager and Atlas' investment team may change.

#### Derivatives risk:

Derivatives will be used by the Fund to reduce risk. Risks associated with investing in derivatives may include: the value of the derivative failing to move in line with an underlying investment; potential illiquidity of the derivative; the Fund not being able to meet payment obligations as they arise and counterparty risk (where the counterparty to the derivative contract cannot meet its obligations under the contract). Atlas will seek to minimise derivatives risk by generally investing in exchange traded derivatives with central counterparty risk or only dealing with investment grade counterparties.

## Investment Risks

### Investment risk:

Changes in economic, political, legal or market sentiment can result in volatility in the value of listed property investments and the overall level of liquidity in the listed property market. This can affect the value of the Fund's investments and Atlas' ability to realise the Fund's investments in an efficient manner.

### External risk:

External factors are outside the control of either OMIFL or Atlas and can affect both the value of the investment and also the income that the investment might produce. These factors include such things as interest rates, government policies, taxation and other laws, global stock market and economic conditions/volatility in general. Whilst external risk factors cannot be eliminated, Atlas has regard to these factors in its management of the Fund.

## 5. How we invest your money

### Investment objective

**You should consider the Fund's investment objective, risk level, your individual circumstances and your time frame before choosing to invest in the Fund.**

The Fund is designed to deliver consistent quarterly income, which is seen as being suitable for pension phase investors and self-managed superannuation funds and for those who want to retain an exposure to listed property in their portfolio and may be concerned about market falls, and yet still need to maintain income being generated from their portfolio.

The minimum suggested investment time frame is 5 years. This seeks to reduce the losses incurred by the Fund from falling security prices or Index levels.

The aim is to outperform the ASX A-REIT 200 Index over rolling 5 year periods, after management fees and before taxation. However, the returns from the Fund are not guaranteed.

### Investment Strategy

The Fund aims to provide investors with income primarily through the acquisition of securities in the ASX A-REIT 200 Index. There will be an overlay of an active strategy of selling call options over a portfolio of ASX-listed property securities. A portion of the additional income may be used to purchase put options to reduce capital risk.

Atlas will use its quantitative and qualitative analysis to identify property securities within the ASX listed property sector that can be expected to:

- deliver a consistently higher than average distribution yield; and
- allow the fund manager to generate additional income via writing call options over the property securities held.

Additionally, between 60-85% of the securities held (by value) will be subject to an overlay strategy of selling call options. These options will be security specific over-the-counter or exchange-traded options or index options. Additionally, Atlas will look at buying put options either specific security exchange-traded options or index options to protect capital.

In determining the call and put option positions, Atlas has regard to reducing portfolio risk whilst also capturing incidental income opportunities.

Atlas may use derivatives instruments to reduce risk when deemed appropriate. Atlas will not use derivatives speculatively, and when they are used Atlas will make sure that all of the associated obligations which come with them can be paid from the investments of the Fund.

Atlas will actively adjust the investment mix within the investment guideline ranges below.

	Min	Max
Australian listed property securities	0%	100%
Exchange traded derivatives	0%	80%
Over-the-counter (OTC) derivatives	0%	80%
Cash	0%	100%

The investment mix can change within the ranges significantly and sometimes quickly.

Further general information in relation to the Fund's investment strategy, including a monthly newsletter, can be obtained from [www.atlasfunds.com.au](http://www.atlasfunds.com.au).

## Other investment considerations

Atlas does not take labour standards or environmental, social or ethical considerations into account when making investment decisions. However, these issues may affect the financial performance of an investment and that financial effect would influence investment decisions.

## Risk Level

### Medium to high

Atlas believes that the investment strategy employed by the Fund has a higher risk profile to that of cash and fixed interest, though a lower risk profile to that of equities and property. However, the Fund aims to produce good returns with lower than associated market volatility for periods of time over the minimum suggested investment time frame.

*Medium to high, meaning there is a risk of between 3 and less than 4 periods (on average) of negative annual returns over any 20 year period (See FSC's Standard Risk Measure Guidance Paper for Trustees).*

## Changes to Fund details

We have the right to make changes to the Fund at any time, and in some cases without prior notice. This could include closing or terminating the Fund, amending its investment parameters, including the investment objective and strategy, or changing the asset class allocation ranges and currency strategy (if applicable). We will inform you about any material change to the Fund's details in your next regular communication or as otherwise required by law.

## 6. Fees and costs

### DID YOU KNOW?

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

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

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

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

### TO FIND OUT MORE

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

The table below shows fees and other costs that you may be charged. These fees and costs may be deducted from the money you invest, from the returns on your investment or from the Fund's assets as a whole. The fees set out in the table below show the effect of GST (i.e. inclusive of 10% GST) less the extent of reduced input tax credits (RITCs) which may be claimed. You should read all the information about fees and costs as it is important to understand their impact on your investment. The information in the table may be used to compare costs between different simple managed investment schemes.

Unless otherwise specified, all dollar amounts are Australian dollars.

Type of Fee or Cost	Amount
<b>Fees when your money moves in or out of the Fund</b>	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	Nil
Exit fee	Nil
<b>Management costs</b> The fees and costs for managing your investment	
Management fee	0.95% per annum (inclusive of GST net of RITC) of the gross asset value of the Fund). This fee is payable to Atlas which will use it to cover all Ordinary Expenses of the Fund including the responsible entity management fee and custody fee
Expenses	Expected to be covered by the management fee payable to Atlas
Indirect costs	Expected to be 0.00% per annum of the gross asset value of the Fund's assets

## Additional explanation of fees and costs

You should read the important information about fees and costs before making a decision to invest in the Fund. Go to the Additional Information Booklet available from [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas) or [www.atlasfunds.com.au/PDS](http://www.atlasfunds.com.au/PDS); in particular, section 3: *Fees and costs*. The material relating to fees and costs may change between the time when you read this PDS and the day when you make your application for units.

### Fees payable to Atlas

The management fee is the fee charged by Atlas to provide investment management services to the Fund. The fee will accrue as frequently as unit pricing occurs and is payable monthly in arrears out of the assets of the Fund. For example, if the value of the Fund is constant at \$10 million for a year, then Atlas will be entitled to a fee of \$95,000 for that year.

## Fees payable to the Responsible Entity

The Constitution provides that an annual management fee of up to 3.0% per annum calculated on the gross asset value of the portfolio may be charged to the Fund. As disclosed above, OMIFL and Atlas have agreed that Atlas will pay OMIFL the following fees from its management fee:

- a responsible entity management fee, being the greater of \$48,000 and 0.06% per annum of gross asset value (plus GST, less any applicable RITCs); and
- a fee for the provision of custodian services, being the greater of \$24,000 and 0.03% per annum of gross asset value (plus GST, less any applicable RITCs).

The minimum fees above are subject to annual increases which take effect from 1 July each year. In the case of the responsible entity fee, the minimum annual fee increases by \$5,000 for the first 4 years and thereafter by the greater of 3% and CPI. In the case of the custody fee, the minimum annual fee increases by the greater of 3% and CPI.

The Responsible Entity is also entitled under the Constitution to a removal fee equal to the balance of the responsible entity management fee plus the balance of the custody fee it would have received had it remained the responsible entity of the Fund for 5 years from the issue of the first unit under an offering document if:

- it is removed as responsible entity of the Fund before 1 April 2022, other than for gross negligence or for a breach of a fiduciary duty to investors which causes them substantial loss; or
- it retires as responsible entity of the Fund before 1 April 2022 at the request of Atlas in accordance with the Investment Management Agreement.

This removal fee, if payable, is payable from the assets of the Fund.

## Operating costs and expenses

It is intended the 0.95% management fee payable to Atlas will cover the day-to-day fees and expenses of the Fund, including the following (together, **Ordinary Expenses**):

- the fees payable to the responsible entity (being the responsible entity management fee and the custody fee detailed above);
- administration fees;
- costs of preparation of annual tax statements;
- registry fees; and
- fees for the audit of Fund's financial reports and compliance plan.

To the extent the management fee is insufficient to cover the Fund's Ordinary Expenses, then Atlas will cover any Ordinary Expenses out of its own funds.

However, if Atlas does not pay any Ordinary Expenses, then under the Constitution we are entitled to, and we will, collect them from the assets of the Fund.

OMIFL is entitled to be reimbursed out of the assets of the Fund for all other miscellaneous Fund-related expenses, for example legal fees, taxation advice and costs of members' meetings. We do not envisage the Fund will incur any of these fees in its first year of operation.

Investors should be aware that the expenses charged to the Fund may fluctuate from time to time. Generally, operating costs and expenses are paid as and when incurred or reimbursed to the Responsible Entity or Atlas, as appropriate.

## Indirect costs

Management costs are required to include all indirect costs. It is not anticipated that there will be any indirect costs for this Fund.

## Transaction costs

When buying or selling units of the Fund through the ASX's mFund settlement service investors will incur ordinary brokerage costs charged by their ASX Broker.

Transactional costs incurred by the Fund will be brokerage on all purchases and sales of securities and options held by the Fund.

Transaction costs will differ depending on the type of assets and will be paid out of the Fund's assets. We estimate that the Fund's transactional costs will be approximately 0.26% of the net asset value of the Fund. However, during the first financial year of the Fund, we anticipate that the majority of the transactional costs will be borne by the buy-sell spread of 0.20% (see below) and that the transactional costs not so covered will be approximately 0.06% of the net asset value. See section 3.7: *Transaction Costs* of the Additional Information Booklet for more information. We will provide notification of the current net transaction costs for the Fund on our website at [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas) or [www.atlasfunds.com.au](http://www.atlasfunds.com.au).

## Buy-Sell spread

The Fund's buy-sell spread is 0.20%. The buy-sell spread reflects OMIFL's estimate of the transaction costs in buying and selling underlying financial products as a result of investments in, and withdrawals from the Fund. The purpose of the buy-sell spread is to ensure that those investors transacting in the Fund's units at a particular time bear the costs of buying and selling the Fund's assets as a consequence of their transaction. The buy-sell spread is an additional cost to investors but is not a fee paid to any party; rather it is retained as an asset of the Fund.

The Fund is newly formed with a limited operating history therefore the transaction costs and buy-sell spread disclosed above based on reasonable estimates at the date of this PDS. Please refer to [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas) for any updates which are not materially adverse from time to time.

## Changes to fees

The fees and costs may change subject to the maximum limits specified in the Fund's Constitution. Reasons might include changing economic conditions and changes in regulation. Fees and costs may only change after prior notice is given. Investors will be advised of changes to fees and costs at least 30 days prior to the changes taking effect, allowing time for a withdrawal option to be executed if desired.

## Fees paid to a financial adviser

**Warning: If you have a financial adviser, then you may also have to pay additional fees to your adviser.** Details of those fees should be set out in the Statement of Advice given to you by your adviser.

## Example of annual fees and costs for the Fund

The table below gives an example of how the fees and costs of the Fund can affect your investment over a one year period. You can use this table to compare this product with other managed funds.

Example – Atlas High Income Property		Balance of \$50,000 with a contribution of \$5,000 during a year.
Contribution fee	0%	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b> Management costs	0.95% per annum <sup>[1]</sup>	<b>AND</b> , for every \$50,000 you have in the Fund, you will be charged \$475.00 each year.
<b>EQUALS</b> cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of:  <b>\$475.00 to \$525.00</b>  <b>What it costs you will depend on the transaction costs of the year (buy spread) and the fees you negotiate with your Fund or financial adviser.</b>

[1] Management costs are based on the net assets of the Fund and comprise the following: management fee (which for the Fund includes Ordinary Expenses) of 0.95% pa, and indirect costs of 0% pa.

Please note that this example does not capture all of the costs and fees that may apply to you – for example it does not take into account the transaction costs and buy-sell spread.

## 7. How managed investment schemes are taxed

**Warning: Your investment in a managed investment scheme is likely to have tax consequences. As tax matters for managed investment schemes are complicated, you are strongly advised to seek your own professional tax advice.**

You should read the important information about tax before making a decision to invest in the Fund. Go to the Additional Information Booklet available from [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas); in particular, section 4: *Taxation*. The material relating to tax may change between the time when you read this PDS and the day when you make your application for units.

Tax consequences will generally occur on an annual basis even if you do not change your investment. The Fund will typically distribute all its taxable income each year so the Fund is not required to pay tax. As a member you will be assessed for your share of any tax on any income and capital gains generated by the Fund, even if your income entitlement is not paid to you but reinvested back into the Fund. In normal circumstances, you should expect that some income and/or capital gains will be generated each year. Tax may also be payable on withdrawals. The Fund will not pay tax on behalf of members of the Fund.

You will be issued with a taxation statement annually which sets out relevant taxation information.

## 8. How to apply

In order to apply, you must:

- Read this PDS and the Additional Information Booklet carefully and in their entirety. These are available at [www.atlasfunds.com.au](http://www.atlasfunds.com.au) and at [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas) or by calling the Registrar on +61 (02) 8188 1510.
- You should seek independent legal, financial planning/ taxation advice before applying for units in the Fund. If there is anything that you do not understand you should ask questions.
- Invest a minimum of \$10,000 in the Fund. See section 2 of this PDS for the calculation of unit pricing.
- If you are not investing through the mFund Settlement Service, complete the application form and the sections that are relevant to you available at [www.atlasfunds.com.au](http://www.atlasfunds.com.au) and at [www.oneinvestment.com.au](http://www.oneinvestment.com.au) or by calling the Registrar on +61 (02) 8188 1510.
- If you are investing through the mFund Settlement Service and when and while units are admitted as an mFund product, you will need to apply via your ASX Broker (broker-sponsored units) and all application money should be paid directly to your ASX Broker. Your holding of the broker-sponsored units is linked to your individual HIN, which is used to hold your other investments transacted through the ASX.
- Your direct application will not be considered complete and capable of being processed until OMIFL has received:
  - a correctly completed application form signed by all relevant parties;
  - application moneys in cleared funds transferred in the manner described in the application form;
  - your identification documents in accordance with the AML/CTF requirements and any other tax payer identification requirements described in the application form.

Please note that as part of the application process OMIFL is required by law to verify your identity before accepting your application. Please refer to the Anti-Money Laundering and Counter-Terrorism Financing Act information in the application form.

### Cooling-off period

A 14-day cooling-off period applies to Retail Clients who invest in the Fund. Your cooling-off period commences on the earlier of:

- the date you receive confirmation of your transaction, and
- the end of the fifth day after we issue your units to you.

If you tell us in writing you want to withdraw your investment during your cooling-off period, then we will return your money to you and no fees will apply. However, if your units have already been issued to you, then they will be redeemed at the unit price on the day of the redemption which may be different (higher or lower) to the price at which they were issued. Tax consequences may also arise during the holding period (however brief).

### Complaints

If you feel we are not dealing with you as you would like, you can make a complaint to us by calling +61 (02) 8277 0000 and we will attempt to resolve your complaint. If your complaint is not dealt with by us within 45 days or you are unsatisfied with our determination, then you may have the right to complain to the Financial Ombudsman Service (of which we are a member) at GPO Box 3, Melbourne, VIC 3001 or by calling 1800 367 287. See section 7.2: *Complaints* of the Additional Information Booklet for more information.

## 9. Additional information

### Related party transactions and conflicts of interest

In our position as responsible entity of the Fund, we may from time to time face conflicts between our duties to the Fund as responsible entity, our duties to other funds we manage and our own interests. We will manage any conflicts in accordance with our conflicts of interest policy, the Constitution, ASIC policy and the law.

Atlas is not a related party of OMIFL. The contractual arrangements between OMIFL and Atlas are negotiated at arm's length between parties.

We may from time-to-time enter into other transactions with other related entities. All transactions will be effected at market rates or at no charge, and in accordance with the Corporations Act.

### Continuous disclosure

As at the date of this PDS, the Fund is not a disclosing entity. If the Fund has 100 or more Investors it becomes a disclosing entity for the purposes of the Corporations Act and will be subject to regular reporting and disclosure obligations. We will follow ASIC's good practice guidance in satisfying our continuous disclosure obligations via website notices. Full year and half-year financial statements and other information and continuous disclosure notices for the Fund will be available by going to [www.oneinvestment.com.au/atlas](http://www.oneinvestment.com.au/atlas) or by calling +61 (02) 8277 0000 during business hours.

## 10. Glossary

The following terms in the PDS have the meanings set out below:

<b>AFSL</b>	Australian Financial Services Licence
<b>application form</b>	An application form for units in the Fund accompanying this PDS which is available on the websites at <a href="http://www.atlasfunds.com.au">www.atlasfunds.com.au</a> and <a href="http://www.oneinvestment.com.au/atlas">www.oneinvestment.com.au/atlas</a>
<b>Atlas or Investment Manager</b>	Atlas Funds Management Pty Ltd ABN 83 612 499 528, AFSL 491395
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	Australian Securities Exchange
<b>ASX Broker</b>	An mFund participating ASX broker or financial adviser who uses a stockbroking service your behalf
<b>ASX Operating Rules</b>	The operating rules issued by the ASX, as amended from time to time
<b>business day</b>	A day on which banks are open for business in Sydney, excluding Saturday, Sunday or public holidays
<b>CHES</b>	(Clearing House Electronic Sub-register System) is the computer system that is used by the ASX to record holdings and manage the settlement of transactions

<b>Constitution</b>	The deed establishing the Fund dated 9 March 2017 amended or replaced from time to time
<b>Corporations Act</b>	<i>Corporations Act 2001 (Cth)</i> and <i>Corporations Regulations 2001 (Cth)</i> , as amended from time to time
<b>CPI</b>	Consumer Price Index (All Groups) for the city of Sydney
<b>derivatives</b>	Has the meaning set out in section 761D of the Corporations Act
<b>Fund</b>	Atlas High Income Property Fund ARSN 618 658 567
<b>GST</b>	Goods and services tax as defined in <i>A New Tax System (Goods and Services Tax) Act 1999</i> as amended
<b>HIN</b>	Holder Identification Number
<b>investor</b>	A holder of units in the Fund
<b>mFund</b>	A settlement service that enables the automation of settlement of purchases (applications) and sales (withdrawals) for unlisted managed funds on the ASX, using CHES
<b>PDS</b>	This product disclosure statement
<b>Retail Client</b>	An investor who is a retail client for the purposes of sections 761G and 761GA of the Corporations Act.
<b>Registrar</b>	One Registry Services Pty Limited ABN 69 141 757 360
<b>unit</b>	An undivided share in the beneficial interest in the Fund
<b>We, us, our or OMIFL or Responsible Entity</b>	One Managed Investment Funds Limited ABN 47 117 400 987, the responsible entity of the Fund