



TRIPLE3 VOLATILITY ADVANTAGE FUND

Product Disclosure Statement

Class A Units | ARSN 168 796 718

25 March 2019

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This Product Disclosure Statement (**PDS**) dated 25 March 2019 is issued by GSFM Responsible Entity Services Limited ABN 48 129 256 104, AFSL 321517, (GSFM Responsible Entity Services, (**GRES**), the Responsible Entity or we), the responsible entity for the Triple3 Volatility Advantage Fund ARSN 168 796 718 ABN 13 174 490 942 APIR Code GSF0009AU. It is important that you read this PDS carefully before deciding whether to invest. The Application Form accompanying this PDS, which contains important terms relating to the Fund, should also be read before deciding to invest.

In preparing this PDS, we have not taken into account the investment objectives, needs or financial position of any person. Before making an investment decision on the basis of this PDS, investors should consider whether investing in the Fund is suitable to their individual circumstances and seek advice from a qualified financial adviser.

Important information

The offer in this PDS is available only to persons receiving this PDS (electronically or otherwise) in Australia and does not constitute an offer or recommendation in any jurisdiction, or to any person to whom it would be unlawful to make such an offer.

No information or representation in connection with the Fund, which is not contained within this PDS, should be relied upon in making an investment decision about the Fund. No person is authorised to make representations in respect of the Fund which are not contained in this PDS.

An investment in the Fund is subject to investment and other risks, including possible delays in payment and loss of income and capital invested. Investments in the Fund are not deposits with or other liabilities of the Responsible Entity or any of its related bodies corporate, affiliates, associates or officers. None of these entities guarantee any particular rate of return or the performance of the Fund, nor do they guarantee the repayment of capital from the Fund. For more details on the risks, please refer to **Section 5** of this PDS, 'Risks of investing in the Triple3 Volatility Advantage Fund.'

No person other than the Responsible Entity has caused or authorised the issue of this PDS nor do any of them take any responsibility for the preparation of this PDS or the establishment or performance of the Fund. The Australian Securities and Investments Commission (**ASIC**) takes no responsibility for the contents of this PDS.

The information in this PDS is up-to-date at the time of preparation. However, some information may change from time to time. If a change is considered materially adverse, we will issue a supplementary PDS or a new PDS. Information in this PDS that is not materially adverse to investors can be updated by us. The updated information will be available on our website, www.gsfm.com.au. Please check our website, contact your financial adviser, or call us on 1300 133 451 for any updates prior to investing. A paper copy of any updates will be provided free of charge on request.

A paper copy of this PDS (and any supplementary documents) can also be obtained free of charge on request by calling 1300 133 451.



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KEY FEATURES



Triple3 Volatility Advantage Fund		Where to find more information
ARSN	168 796 718	
Units available under this PDS	Class A	
Responsible Entity	GSFM Responsible Entity Services Limited (GRES, Responsible Entity, we, our, us)	Section 2
Investment Manager	Triple Three Partners Pty Ltd (T3P or Investment Manager) The portfolio managers for the Fund are Simon Ho, Chief Investment Officer and John Zhu, Portfolio Manager.	Section 2 & 9
Investment return objective	The Fund aims to generate long-term absolute returns that are negatively correlated to Standard & Poor's 500® (also known as the S&P 500 Index® ¹) (SPX), with an emphasis on positive returns when the SPX experiences falling (or 'bear') markets. It is expected that the investment strategy will perform best in periods where the SPX is falling and volatility is high.	Section 3
Minimum suggested time frame for holding investment	At least 5 years.	
Base currency	The Fund is denominated in Australian dollars.	More information can be found in 'Currency Management' in Section 3.
Asset classes	The Fund invests in two asset classes: volatility and cash. Volatility The volatility component of the Fund invests in exchange traded options. Specifically, the Fund invests in CBOE Volatility Index ² (VIX) options, S&P 500 Index (SPX) options, VXX Exchange Traded Note (VXX) options and VXX Exchange Traded Notes and other volatility related options. These assets are traded and located in the United States of America (USA) and are denominated in US dollars (USD). Cash The cash component of the Fund invests in cash and cash-like instruments and may also invest in exchange traded derivatives such as bank bill futures which are traded on the Australian Securities Exchange (ASX) (Cash). Cash held to satisfy margin requirements for exchange traded options (that comprise the volatility component) is held in US dollars (USD) and located in the USA. Spot foreign exchange (FX) contracts are used to convert AUD to and from USD and are primarily traded with Australian counterparties and located in Australia. Cash not paid to satisfy margin requirements is invested in Cash. The cash assets of the Fund are located in Australia and are dominated in Australian dollars (AUD) (with the exception of some Cash that may be denominated in USD). The range of cash-like instruments that the Fund is permitted to invest in include short term call deposits, and cash equivalent securities including Treasury notes, bank bills of exchange, certificates of deposit, corporate and asset backed promissory notes.	More information on the 'Volatility Component' and 'Cash Component' of the Fund can be found in Section 3.

1. Standard & Poor's and S&P are registered trademarks of Standard & Poor's Financial Services LLC (**S&P**), a part of McGraw Hill Financial Inc.
2. The CBOE Volatility Index® (VIX®) is a Registered Trademark of the Chicago Board Options Exchange (CBOE).

Triple3 Volatility Advantage Fund	Where to find more information	
Investment strategy and how the Fund is managed	<p>The Fund aims to achieve its investment objective by investing a portion of the Fund in VIX options (and other volatility related options) to gain exposure to volatility on the SPX (being the volatility component). The majority of the Fund is invested in Cash.</p> <p>It is expected that the investment strategy will perform best when the SPX is falling because, in these periods, volatility tends to fluctuate a lot, thereby creating more investment opportunities. When the SPX is rising or stable, volatility tends to fluctuate less, resulting in fewer investment opportunities. The more volatility, the more investment opportunities the Fund will be presented with to buy VIX options (and other volatility related options) when the Investment Manager considers they are undervalued and to sell them when the Investment Manager considers they are overvalued.</p> <p>Regardless of market conditions, the portion of the Fund invested in volatility remains relatively constant, with the majority of the Fund invested in Cash (being the cash component).</p> <p>The VIX is a measure of 30 day implied volatility (which is derived from option prices) on the SPX. The variability, or 'volatility', of equity returns historically rise when equities fall. This makes the VIX an appropriate instrument for targeting returns negatively correlated to the returns of the SPX.</p> <p>The Fund's volatility component invests primarily in VIX options, but it can use SPX options and VXX options to implement the investment strategy, as these are also SPX volatility products.</p> <p>A portion of the Cash component will be held to satisfy the margin requirements for exchange traded options and futures. Cash not held to satisfy margin requirements is invested in AUD and USD Cash. The following assumptions underpin the investment strategy's ability to produce investment returns:</p> <ul style="list-style-type: none"> the VIX will remain negatively correlated to the SPX i.e. as the SPX goes down the VIX will rise and vice versa; and option prices will continue to display a strong and persistent source of risk premium, i.e. there will continue to be a positive difference between the expected return on options and the risk-free rate. 	<p>Further information regarding the 'Investment strategy and how the Fund is managed' can be found in Section 3.</p> <p>Further information regarding the VIX is provided in Section 3.</p> <p>The risks associated with the Fund's investment strategy are set out in Section 5.</p> <p>The Fund's risk management strategy is set out in Section 3.</p>
Investment limits	<p>The Fund does not have any specific diversification guidelines. However, the Fund adheres to the following risk constraints:</p> <ul style="list-style-type: none"> ensuring the aggregate call option position of the Fund is positive or zero at all times i.e. the sum total of all call options held by the Fund cannot be less than zero; ensuring the aggregate put option position of the Fund is zero or positive at all times i.e. the sum total of all put options held by the Fund cannot be less than zero; and limiting the total loss of all options positions of the Fund in any month to 5% of the Net Asset Value of the Fund. However, there is no guarantee as to the maximum loss that might be incurred. 	<p>The risks associated with the Fund's investment strategy are set out in Section 5.</p> <p>The Fund's risk management strategy is set out in Section 3.</p>
Fund structure	<p>The Fund is a registered managed investment scheme that is an unlisted Australian unit trust. GRES is the responsible entity of the Fund.</p> <p>GRES has appointed a number of key service providers, including T3P as the investment manager, that are involved in the ongoing operation and administration of the Fund.</p>	<p>A diagram showing the flow of investment money through the Fund's structure is set out in Section 3.</p> <p>The risks associated with the Fund's structure are set out in Section 5.</p> <p>Further information regarding the key service providers is set out in Section 3.</p>

Triple3 Volatility Advantage Fund		Where to find more information
Valuation, location and custody of assets	<p>The Fund's assets are valued each business day by the Fund's administrator.</p> <p>Assets and liabilities of the Fund are generally valued at their market value in accordance with the Fund's constitution.</p> <p>The Fund invests in US exchange traded derivatives (in particular, options), US exchange traded notes and in USD cash, AUD cash, spot foreign exchange (FX) contracts, cash-like instruments such as short term call deposits, and cash equivalent securities including Treasury notes, bank bills of exchange, certificates of deposit, corporate and asset backed promissory notes and bank bill futures traded on the Australian Securities Exchange (ASX).</p> <p>The US exchange traded derivatives and US exchange traded notes are traded in the USA, held by counterparties located in the USA and are denominated in US dollars.</p> <p>USD cash to satisfy margin calls is held by Goldman Sachs International and is located in the USA. Goldman Sachs International is located in the United Kingdom (UK).</p> <p>Any USD cash holdings, not held by Goldman Sachs International, are held by an independent custodian, J.P. Morgan.</p> <p>All other assets of the Fund are located in Australia and denominated in Australian dollars or in the USA and denominated in USD.</p> <p>The Cash assets of the Fund are held by an independent custodian, J.P. Morgan, with the exception of any derivative contracts (and associated collateral and margins paid) which are held by clearers and counterparties based in Australia, USA and the UK.</p> <p>FX contracts will be held by counterparties in Australia, the UK and the USA.</p>	<p>Further information regarding the Fund's valuation policy is set out in Section 1.</p> <p>The target asset allocation ranges for the Fund are included in Section 3.</p> <p>Further information regarding the custodian is set out in Section 3.</p>
Derivatives	<p>The Fund uses exchange traded derivatives (specifically options) to implement the volatility component of the Fund's investment strategy.</p> <p>When managing the cash component of the Fund, the Fund may also invest in bank bill futures traded on the Australian Securities Exchange (ASX) to manage interest rate risk.</p> <p>The exchange traded contracts used by the Fund are standardised and subject to the rules and regulations of the exchange and regulatory authorities in the USA and Australia.</p>	<p>Further information regarding the Fund's use of derivatives is provided in Section 3.</p> <p>The risks associated with the use of derivatives are described in Section 5.</p>
Leverage	<p>The Fund will not borrow except to use overdraft facilities as and when required for the efficient settlement of transactions. The Fund will not borrow for speculative purposes.</p> <p>However, the Fund uses exchange traded derivatives (specifically options) to create the portfolio, and these contracts have implicit leverage.</p> <p>As described above, the Fund may also invest in exchange traded derivatives, as part of the Fund's management of its cash assets (e.g. bank bill futures traded on the ASX).</p> <p>The maximum anticipated gross leverage in the Fund is 250% of the Net Asset Value of the Fund. The net leverage of the Fund however is expected to be below 100%.</p>	<p>Further information regarding borrowing can be found in Section 3.</p> <p>An example of the impact of leverage on investment returns and losses is set out in Section 3.</p> <p>The risks associated with Leverage are described in Section 5.</p>
Short selling	<p>The Fund does not engage in short-selling securities, but may sell option contracts that it does not already own. However, the Fund must ensure that the aggregate (sum total) of all bought and sold call or put options must be positive or zero. That is, the Fund cannot be net short call or put options.</p> <p>The ability to invest in long and short option positions is key to the Fund's investment strategy. In selling options, the Fund bears the risk of an increase in price of option (for example, if the Fund sells an option which it does not own and the price of the option increases after the Fund sells the option, the Fund will have to buy the option at higher price than the price at which it was sold).</p>	<p>Further information regarding short selling is provided in Section 3.</p> <p>The risks associated with short selling are described in Section 5.</p>

Triple3 Volatility Advantage Fund		Where to find more information
Liquidity	We expect that at least 80% of the Fund's assets are capable of being realised within 10 days at the value ascribed to those assets when calculating the Fund's Net Asset Value.	Section 3
Withdrawals	<p>Withdrawal requests are processed each business day and will usually be paid within five business days. However, there may be circumstances where withdrawals are suspended or delayed, for example if the Fund becomes illiquid.</p> <p>Indirect investors will need to contact their IDPS operator regarding withdrawals from the Fund.</p>	Further information about withdrawals is provided in Section 7.
Labour, environmental, social and ethical considerations	The Fund invests in cash and cash-like instruments and derivatives and this does not provide an opportunity for the Responsible Entity or the Investment Manager to take into consideration labour standards, environmental, social or ethical considerations when making investment decisions (including selecting, retaining or realising investments) in respect of the Fund.	
Risk level of the Fund	<p>High</p> <p>There are risks associated with investing in the Fund (including associated with the Fund's investment strategy and structure), for example, risks associated with using options and holding assets overseas.</p>	The key risks are set out in Section 5.
Risk management	<p>The Investment Manager manages risk by employing the following risk management guidelines:</p> <ul style="list-style-type: none"> • Generally up to 10% of the Fund will be invested in the volatility component, while the remainder of the Fund will be invested in Cash. • Selling an option can result in infinite losses. The Fund mitigates this risk by adhering to the following risk constraints: <ul style="list-style-type: none"> - ensuring the aggregate call option position of the Fund is positive or zero at all times i.e. the sum total of all call options held by the Fund cannot be less than zero; - ensuring the aggregate put option position of the Fund is zero or positive at all times i.e. the sum total of all put options held by the Fund cannot be less than zero; and - limiting the total loss of all options positions of the Fund in any month to 5% of the Net Asset Value of the Fund. However, there is no guarantee as to the maximum loss that might be incurred. • The external administrator reconciles the Fund's portfolio and profit & loss calculations daily to ensure that the assets in the Fund are correct and that the risk constraints as outlined in the point above are adhered to. • Exchange traded derivatives are centrally cleared, which means that counterparty credit risk is mitigated. • The exchange traded options traded are highly liquid and mean the portfolio can be updated swiftly. • The Fund invests in option contracts that are denominated in USD and will result in an exposure to changes in the value of the USD relative to the AUD. Typically the exposure to USD is expected to be less than 10% of the Fund's Net Asset Value and the USD positions will not be hedged back to AUD. • Counterparties are subject to a credit assessment on an annual basis. The Fund will engage the services of counterparties with an S&P credit rating of A- or better. 	<p>The key risks are set out in Section 5.</p> <p>Further information about the risk management of the Fund is set out in Section 3.</p>
Custody and administration	<p>J.P. Morgan Chase Bank N.A. (Sydney Branch) (J.P. Morgan).</p> <p>Goldman Sachs International is the clearer for the Fund. All exchange traded futures and options entered into with other brokers must be given up to the clearer. GRES reserves the right to add additional clearers to the Fund over time.</p>	Section 3
Unit Registry	Mainstream Fund Services Pty Ltd (Mainstream Fund Services)	

Triple3 Volatility Advantage Fund

**Where to find
more information**

Fund performance Please see www.gsfc.com.au for information about the Fund's performance, including performance history. **Due to the historical nature of performance information and the volatility of returns, future returns may differ from past returns.**

Changes to Fund detail We have the right to close or terminate the Fund and change the Fund's investment return objective, investment strategy, benchmark, asset classes and asset allocation ranges and limits, without prior notice in some cases.

We will inform investors of any material change to the Fund's details in their next regular communication or as otherwise required by law, which in some circumstances, may require prior notice to investors or the issue of a supplementary PDS or new PDS. Information in this PDS that is not materially adverse to investors may be updated by us and will be available on our website, www.gsfc.com.au. A paper copy of any updates will be provided free of charge on request.

Triple3 Volatility Advantage Fund		Where to find more information
Product features		
Management Fee ^{3,4}	1.45% p.a. of the Net Asset Value of the Class A units of the Fund.	Further information on the Management Fee is provided in Section 6.
Performance Fee ^{3,4}	A Performance Fee is calculated each business day as 20% of the difference between the daily dollar return of the Fund and the daily dollar return of the Performance Benchmark and may be payable to GRES annually. The Performance Benchmark is the RBA Cash Rate Target.	Further information on the Performance Fee and Performance Fee Benchmark is provided in Section 6.
Buy-sell spread ³	Buy +0.20% / Sell -0.20%	Section 6
Minimum initial investment ¹	\$25,000	Section 7
Minimum additional investment ¹	\$5,000	Section 7
Minimum balance ¹	\$5,000	Section 7
Minimum withdrawal ¹	\$5,000	Section 7
Applications and withdrawals ²	Daily	Section 7
Payment of proceeds of withdrawal ²	Generally 5 business days	Section 7
Distribution ²	Generally quarterly. However, there may be periods when no distributions are made.	Section 7
Reporting		
Monthly Fund Update	A Monthly Fund Update is available on the website www.gsfm.com.au	Section 1
Regular reporting	Confirmation of all applications and withdrawals	Section 1
Unit pricing	Unit prices are calculated each business day and posted on the website www.gsfm.com.au	Section 7
Annual fund reporting	Annual financial report for the Fund** Annual Investment Statement	Section 1
Annual tax reporting	Annual tax statement	Section 8

** Available at www.gsfm.com.au

1. We retain the discretion to waive these minimums. If you invest through an IDPS operator such as a master trust or wrap account platform, these minimums may not apply to you. Please refer to 'Indirect investors' in Section 7 of this PDS and to the information provided to you by your service provider.
2. Please refer to Section 7 'Dealing with your investment' of this PDS. These items are subject to change at the discretion of GSFM Responsible Entity Services.
3. Please refer to Section 6 'Fees and other costs' of this PDS for complete details on fees and charges and how they are calculated.
4. All fees are inclusive of GST and any applicable stamp duty and net of any applicable reduced input tax credits.

1. DISCLOSURE BENCHMARKS



This PDS addresses the following benchmarks:

Benchmark 1: Valuation of assets

This benchmark addresses whether valuations of the Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.

Non-exchange traded assets

GRES adheres to the benchmark by having independent valuation service providers for the Fund's non-exchange traded instruments (including cash and cash instruments). These are valued using market data sourced from independent third party valuation providers.

J.P. Morgan, the Fund's administrator, has various pricing and valuation policies and procedures which are reviewed by GRES periodically. These are consistent with industry standards and result in valuation and unit price calculations being independently verifiable.

In accordance with their documented procedures and policies, J.P. Morgan determines the valuation for each asset each day. The non-exchange traded investments of the Fund will either be valued at a value determined from independent third party vendors which provide prices based on a combination of actual trade data, dealer trading desk contributions, matrix pricing and internal modelling and research capabilities or by J.P. Morgan in consultation with the Responsible Entity and Investment Manager and in accordance with industry standards.

J.P. Morgan uses these valuations when it calculates the total market value of the Fund's assets and the Fund's unit prices each day. All unit prices are reviewed for reasonableness by GRES.

Exchange traded assets

J.P. Morgan values the exchange traded derivatives at their market value; which are the prices provided by the relevant market exchange on which the Fund's assets are bought and sold.

Benchmark 2: Periodic reporting

This benchmark addresses whether we will provide periodic disclosure of certain key information on an annual or monthly basis.

Except as provided for below, GRES adheres to the benchmark as it has and implements a policy to provide investors with regular reporting on key Fund information which can be accessed at www.gsfm.com.au.

This includes:

- Net Asset Value (**NAV**), entry and exit prices for each business day posted on the Fund's Unit Prices page;
- Distribution details posted periodically on the Fund's Distributions page; and
- Monthly net (after fees) returns for the Fund can be found on the Fund's Performance page.

Monthly Updates

The Monthly Updates for the Fund provide an overview of the Fund's performance and investment activities over the previous month and are available at www.gsfm.com.au or can be obtained free of charge by contacting us.

The Monthly Update provides:

- Current total Net Asset Value (**NAV**) of the Fund;
- Current unit price for withdrawals;
- Changes to key service providers (if any);
- Net performance (after fees);
- Material changes to the Fund's investment strategy (if any);
- Material changes to the Fund's risk profile (if any); and
- Changes to the individuals playing a key role in the investment decisions for the Fund.

Annual reporting

The following information is provided to investors on an annual basis:

- The actual allocation to each asset type;
- Monthly or annual investment returns since inception;
- Liquidity profile of the Fund's assets;
- Maturity profile of the Fund's liabilities;
- Fund leverage ratio; and
- Changes to key service providers of the Fund during the year. We may provide this information more frequently where it is considered a material change to the Fund.

We will provide this information in the June Quarterly Update which will be available on our website at www.gsfn.com.au or can be obtained free of charge by contacting us.

Benchmark 2 is not met in respect of the following:

- GRES does not disclose the names of the Fund's derivative counterparties as this information is considered commercial-in-confidence. The Fund's derivative counterparties are Australian based banks. All are rated A- or better.



2. ABOUT GSFM RESPONSIBLE ENTITY SERVICES AND TRIPLE THREE PARTNERS PTY LTD

The Responsible Entity

GSFM Responsible Entity Services Limited, formerly known as Grant Samuel Fund Services Limited is the Responsible Entity for the Fund. As Responsible Entity, GRES issues units in the Fund and is responsible for its operation.

Investment Manager

The Responsible Entity has appointed Triple Three Partners Pty Ltd (**T3P**) to act as Investment Manager for the Fund. T3P is an independent research and investment management firm that specialises in volatility as an asset class. The firm services institutional clients around the world providing volatility research services and alpha products.

T3P focuses on developing systematic, absolute return strategies by combining its forecasting capability with stringent risk controls to produce customised products for clients. The team utilises quantitative and systematic alpha generation processes and within a risk management framework.

The investment team

The portfolio managers for the Fund are Simon Ho, CIO and John Zhu, Portfolio Manager. They are supported by a quantitative analyst and a software engineer.

Simon Ho, Chief Investment Officer

Simon founded T3P in 2009. He has over 24 years of industry experience, where he held senior options trading and risk management roles at firms including: Goldman Sachs London, Merrill Lynch New York, and JP Morgan Singapore. He is involved in various initiatives within the options industry to develop volatility-based products and is a regular options expert contributor to various TV and print media outlets. Simon completed a Bachelor of Social Science (Economics) at the University of New South Wales in 1992.

As the CIO, Simon spends a substantial amount of his time overseeing the management of the Volatility Advantage investment strategy.

John Zhu, Portfolio Manager

John has over 12 years' experience in financial markets, in both quantitative research and trading. His previous roles include quantitative trading at ABN Amro and Royal Bank of Scotland and options market-making at Optiver. John completed his BSc Honours (First Class) in Applied Mathematics specialising in quantitative finance at Sydney University in 2006, where he won the prestigious University Medal.

John is responsible for implementation of the strategy of the Fund on a day to day basis. John primarily spends his time on investment activities applicable to the Volatility Advantage investment strategy.

At the date of this PDS there has been no adverse regulatory finding against the Investment Manager or individuals in the investment team.

3. ABOUT THE TRIPLE3 VOLATILITY ADVANTAGE FUND



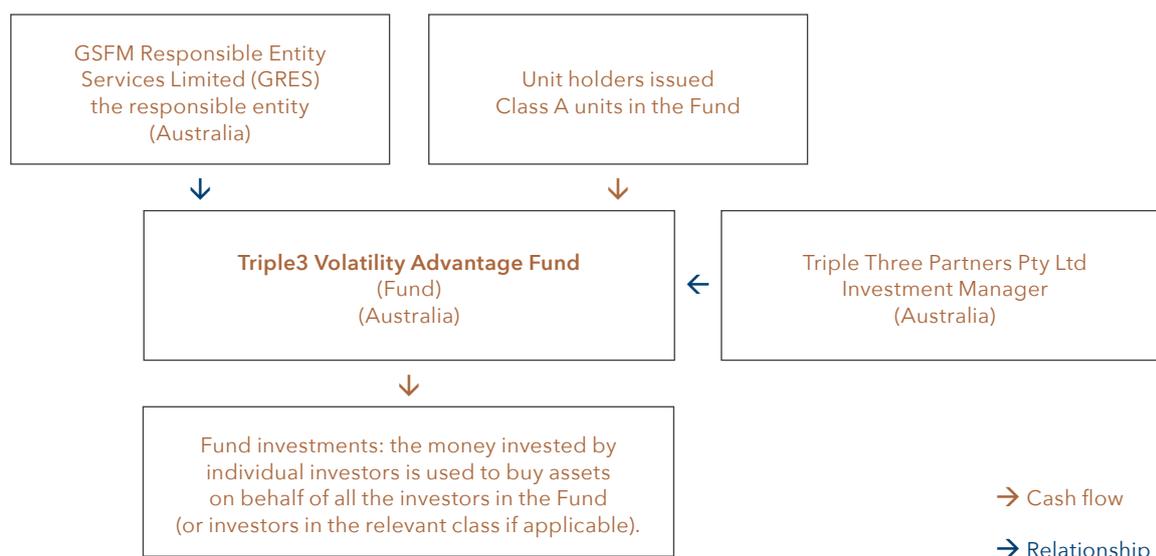
Fund structure

The Fund is a registered managed investment scheme that is an unlisted Australian unit trust. The Fund pools the money invested to buy assets on behalf of all the investors in the Fund.

Investors in the Fund hold Class A units in the Fund, which represent their beneficial interest in the assets of the Fund, but do not give an interest in any particular asset of the Fund. We may at our discretion, issue additional classes of units in the Fund with different terms and conditions to the Class A units.

Investment structure

The following diagram shows the Fund's structure and the flow of investment money through the structure.



Investment objective

The Fund aims to generate long-term absolute returns that are negatively correlated to Standard & Poor's 500® (also known as the S&P 500 Index®¹) (**SPX**), with an emphasis on positive returns when the SPX experiences falling (or 'bear') markets.

It is expected that the investment strategy will perform best in periods where the SPX is falling and volatility is high.

Investment strategy and how the Fund is managed

Investment strategy

The Fund aims to achieve its investment objective by investing a portion of the Fund in VIX options (and other volatility related options including SPX options and VXX options) to gain exposure to volatility on the SPX (the volatility component). The majority of the Fund is invested in cash and cash-like instruments (the cash component).

It is expected that the investment strategy will perform best when the SPX is falling because, in these periods, volatility tends to fluctuate a lot, thereby creating more investment opportunities. When the SPX is rising or stable, volatility fluctuates less, resulting in fewer investment opportunities. The more volatility, the more investment opportunities the Fund will be presented with to buy VIX options (and other volatility related options) when the Investment Manager considers they are undervalued and to sell them when the Investment Manager considers they are overvalued.

Regardless of market conditions, the portion of the Fund invested in VIX options (and other volatility related options) remains relatively constant, with the majority of the Fund invested in Cash.

The Fund has an investment horizon of 5 years.

The investment strategy is made up of two components:

Volatility Component - a portion of the Fund is invested in volatility as an asset class, primarily by buying and selling exchange traded options (specifically, VIX options, SPX options and VXX options) denominated in USD. The volatility component of the Fund is designed to provide the Fund with exposure to the volatility of the SPX. The VIX is a measure of the implied volatility of the SPX over rolling 30 day periods. The level of volatility measured by the VIX is typically negatively correlated to SPX. Further information regarding the options contracts and the VIX is provided in 'Options and the VIX explained'.

T3P's approach to investing is based on an investment system which uses mathematical models to calculate the 'fair' value of option prices and volatilities for the VIX and SPX. This output is then compared to live market prices for options to determine which options are comparatively overpriced or under-priced. Using this information, a portfolio algorithm then determines the optimal combination of options. The Investment Manager carries out trading instructions advised by the system and provides human oversight to ensure that portfolio limits are respected.

Further information regarding the volatility component is included in 'More about the Volatility Component'

Cash Component - the majority of the Fund will be invested in cash and cash-like instruments which include exchange traded derivatives such as bank bill futures traded on the Australian Securities Exchange (ASX) (**Cash**). Cash held to satisfy the margin requirements for the exchange traded options (that comprise the volatility component) is held in USD. Cash not held to satisfy margin requirements will be invested in Cash. Management of the cash component will be undertaken by the Investment Manager together with the Responsible Entity.

Further information regarding the cash component is included below.

Generally, up to 10% of the Fund will be invested in exchange traded options (i.e. the volatility component), while the remainder of the Fund will be invested in Cash. However, because the exchange traded options have implicit leverage, the majority of the Fund's risk exposure is derived from the volatility component. Please see Section 3 'Leverage' for further information regarding the implicit leverage of options.



The two pie charts above illustrate that although the majority of the Fund is invested in cash, it is not a traditional 'cash fund'. The majority of the Fund's risk exposure is derived from the volatility component of the investment strategy.

More about the Volatility Component

The Volatility Component of the investment strategy may use the following products:

1. SPX options - these are option contracts in which the underlying value is based on the level of the S&P 500®, which is a capitalisation weighted index of 500 actively traded large cap common stocks in the USA.
2. VIX options - the VIX is a measure of 30 day implied volatility (which is derived from options prices) on the SPX. The variability, or 'volatility', of equity returns historically rises when equities fall. This makes the VIX an appropriate instrument for targeting returns negatively correlated to the returns of the SPX. Further information regarding options and the VIX is set out below in 'Options and the VIX explained'.
3. VXX options - a VXX is an exchange-traded note based on S&P 500 VIX Short-Term Futures Index. VXX options offer exposure to a long basket of first and second month VIX futures contracts. So, while the underlying asset for a VIX option is the VIX future, the underlying asset for a VXX option is the VXX exchange-traded note.
4. Other volatility related options as appropriate.

Of the products above, the volatility component of the Fund invests primarily in VIX options.

Options and the VIX explained

An option gives its buyer the right, but not the obligation, to buy (in the case of a **call** option) or sell (in the case of a **put** option) an underlying asset at a certain price (the strike price), at a future date.

Implied volatility is a key input in calculating an option's price. It represents how variable the expected price of an underlying asset will be between the date of purchase and maturity. The VIX is a measure of the implied volatility of the SPX over rolling 30 day periods. For example, a high VIX value means investors see significant risk that the SPX will move sharply, whether downward or upward.

The level of volatility measured by the VIX is typically negatively correlated to SPX, indicating that when equities fall, volatility tends to rise. This makes VIX an appropriate instrument for targeting returns that are negatively correlated to the SPX (see Figure 1).

Figure 1: VIX and SPX

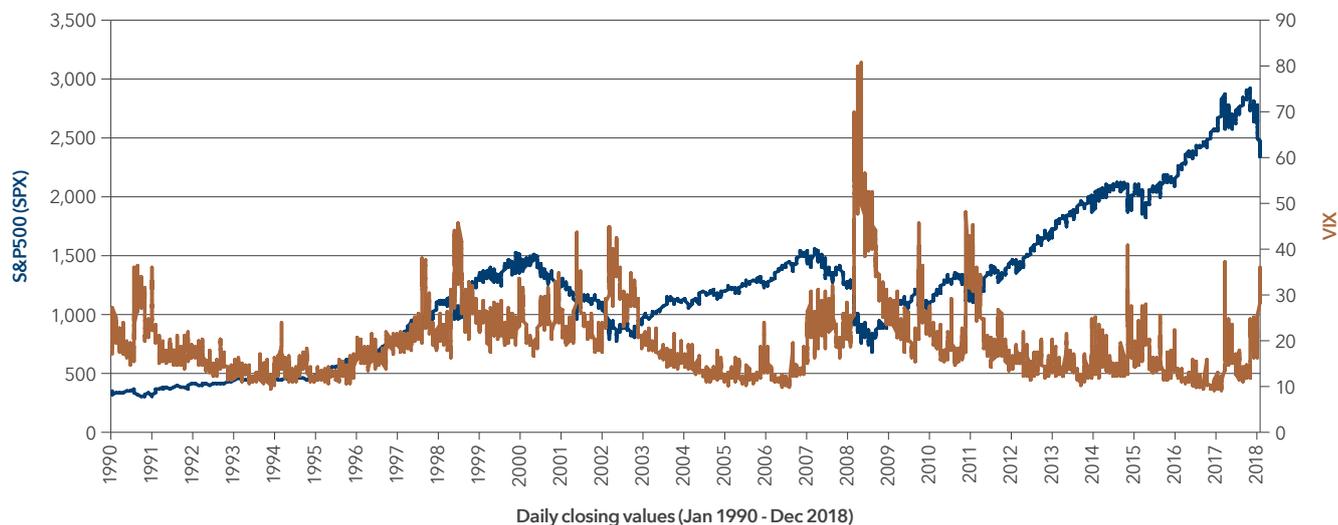


Figure 1: This graph illustrates the negative correlation associated between the SPX and the VIX. That is, often at times when the SPX goes down, the VIX increases and vice versa. There is no guarantee that this relationship is going to persist in the future. **Past performance is not a reliable indicator of future performance.**

How the Fund is managed

The Volatility Component

The Investment Manager uses mathematical models to analyse historical price data. The process is systematic. The models generate a forecast of options prices and volatilities for SPX, VIX and VXX options for a range of different strikes prices. This is illustrated in line 1 of the following Diagram 1.

The Investment Manager then compares the forecasts generated by the mathematical models to the live options market data, to determine which options appear under-priced and which options appear overpriced. By comparing model values to market prices, potential alpha is identified. (Alpha is the difference between a fund's expected returns and its actual returns. Alpha is sometimes interpreted as the value that a portfolio manager adds, above and beyond a relevant index's risk/reward profile). This is shown in line 2 of Diagram 1.

Before the portfolio can be constructed the risk constraints of the Fund as shown below are considered:

- The aggregate of all bought and sold call or put options must be positive or zero. That is, the Fund is not permitted to be net short call or put options at any expiry date. This limit is in place to ensure that the Fund is not exposed to potentially unlimited losses; and
- the total loss of all options positions of the Fund in any month is limited to 5% of the Net Asset Value of the Fund. This means that in a period where the strategy is investing in January VIX options, the portfolio of January VIX options will not lose more than 5% of the Net Asset Value of the Fund. However, there is no guarantee as to the maximum loss that might be incurred.

Using all of the information above, the Investment Manager will then use a portfolio algorithm to determine the optimal combination of options for the portfolio such that:

- the chance of generating a positive return is maximised;
- the risk constraints of the Fund detailed above are adhered to; and
- where possible, the returns from buying and selling the options will be negatively correlated to the SPX in falling (bear) markets.

A portfolio of options is then constructed. This is illustrated in line 3 of Diagram 1 below.

Finally, the Investment Manager carries out the trading instructions advised by the portfolio algorithm, purchasing and selling options for the portfolio. This is represented in line 4 of Diagram 1 below.

The Investment Manager also provides human oversight to ensure that the portfolio risk constraints as detailed above are respected. Trading may occur several times a week.

Diagram 1: How the Volatility Component of the Fund is managed - a graphical representation.



* Potential Alpha is identified by comparing model values to market prices.

The Cash Component

The majority of the Fund will be invested in Cash. The cash assets of the Fund are used first to satisfy margin requirements of the exchange traded options which comprise the volatility component. Spot foreign exchange contracts are used to convert AUD to and from USD.

Any Cash not used for this purpose is invested in high quality short-dated money market instruments such as short term call deposits and cash equivalent securities including Treasury notes; bank bills of exchange; certificates of deposit; corporate and asset backed promissory notes. In addition, the Fund may also invest in exchange traded bank bill futures to manage interest rate risks.

The Cash assets of the Fund will be limited to:

- cash equivalent securities that are rated A1 or A1+ by Standard & Poor's (S&P). In addition, to restrict investment to cash equivalent securities and deposits of a certain credit quality the lowest acceptable bank rating is A-; and
- exchange traded derivatives such as bank bill futures traded on the Australian Securities Exchange (ASX). The Fund may only enter into and execute derivative trades with counterparties which maintain at a minimum an issuer credit rating of at least A- (S&P) or as otherwise approved by the Responsible Entity.

Key assumptions underpinning the investment strategy

The following assumptions underpin the investment strategy's ability to produce investment returns:

- the VIX will remain negatively correlated to the SPX i.e. as the SPX goes down the VIX will rise and vice versa; and
- option prices will continue to display a strong and persistent source of risk premium, i.e. there will continue to be a positive difference between the expected return on options and the risk-free rate.

The risks associated with this investment strategy, the Fund's structure and investing in the Fund and how these risks are managed are discussed later in this section in 'Risk management and monitoring' and in 'Risks of investing in the Triple3 Volatility Advantage Fund' in Section 5.

You should ensure that you understand the investment terms used in this section before you invest in the Fund. Please refer to 'Important investment terms explained' at the back of this PDS.

Changes to investment strategy

We reserve the right to change the Fund's investment return objective, investment strategy, benchmark, asset classes and asset allocation ranges and limits, without prior notice in some instances. We will inform you of any material change to the Fund's details in the next regular Fund communication or as otherwise required by law. Notices of material changes will also be available on our website www.gsfm.com.au.

The types of assets in which the Fund may invest

The Fund invests in exchange-traded derivatives (options), cash and cash equivalents (**Cash**).

Asset types by asset class	Allocation range	
	Min	Max
Exchange Traded Derivatives¹	0	10%
Options on US Volatility Indices - VIX		
Options on US Share Indices - SPX		
Options on US Exchange Traded Notes - VXX		
ASX 90 Day Bank Accepted Bill Futures		
Other volatility related options		
US Exchange Traded Notes - VXX²	0	10%
Cash²	0	100%
(including cash at bank, money market instruments, bank bills of exchange, certificates of deposit, and asset backed promissory notes)		
Australian government bonds²	0	100%
Treasury notes		
Australian corporate bonds²	0	50%
Corporate backed promissory notes		

1. The maximum allocation to all derivatives in aggregate will be 10% of the Net Asset Value of the Fund.
2. The maximum allocation of all cash and cash-like instruments (**Cash**) is 100% of the Net Asset Value of the Fund.

Currency management

The Fund is denominated in Australian dollars. However, the options contracts entered into by the Fund will be in US dollars. Typically, the exposure to USD is expected to be less than 10% of the Fund's Net Asset Value. T3P generally seeks to mitigate currency risk by converting foreign currency holdings back to Australian dollars. Spot foreign exchange (FX) contracts are used to convert AUD to and from USD. However, the Fund is not hedged to Australian dollars. This means that the portion of the Fund invested in the volatility component will be exposed to changes in the value of the USD relative to the AUD (that is, movements in the foreign exchange rate movements may increase or decrease the value of the Fund in Australian dollar terms.

Borrowing

The Fund may borrow to use overdraft facilities as and when required for the efficient settlement of transactions against all or any part of the investment portfolio, and pledge securities in the investment portfolio for the purpose of the efficient settlement of transactions. The Fund will not borrow for speculative purposes or to leverage the portfolio. The Responsible Entity intends that the aggregate of new borrowings and any pre-existing borrowings will not exceed 20% of the investment portfolio's value.

Use of derivatives

The Fund may invest in exchange-traded derivatives and may use spot foreign exchange contracts to convert AUD to and from USD.

Derivatives are instruments whose value is derived from the value of an underlying asset and include futures, options and swaps. The types of derivatives that the Fund may invest in are options on the VIX, options on the SPX, options on VXX Exchange Traded Notes, other volatility related options and exchange-traded bank bill futures.

The Fund primarily uses exchange traded derivatives (specifically options) to implement the volatility component of the Fund's investment strategy (that is, generate long-term absolute returns that are negatively correlated to the SPX). Derivatives exchanges create a visible and transparent market place for buying and selling exchange traded derivatives. The exchange traded contracts used by the Fund are standardised and subject to the rules and regulations of the exchange and regulatory authorities in the USA and Australia.

The exchange traded options, are centrally cleared through the Chicago Board Options Exchange (CBOE) Clearing House; which is the counterparty. The CBOE is based in the USA and was established in 1973. It is the largest options exchange in the USA.

The Options Clearing Corporation (OCC) is the sole issuer of all securities options listed at the CBOE and is the entity through which all CBOE option transactions are ultimately cleared. The OCC substantially reduces the credit risk aspect of trading securities options as the OCC requires that every buyer and every seller have a clearing member and that both sides of the transaction are matched. It also has the authority to make margin calls on firms during the trading day. The OCC has an AAA credit rating from Standard & Poor's Corporation.

Goldman Sachs International is the clearing member providing options clearing and settlement facilities for the Fund. Goldman Sachs International is based in the UK.

Only clearing houses with international capability and strong global reputations will be appointed to clear the Fund's exchange traded futures and options transactions.

When managing the cash component of the Fund's investment strategy, the Fund may also invest in bank bill futures traded on the Australian Securities Exchange (ASX) to manage interest rate risk.

The Fund may only enter into and execute derivative trades with counterparties which maintain at a minimum an issuer credit rating of at least A- (S&P) or as otherwise approved by the Responsible Entity.

Please refer to 'Derivatives risk' 'Collateral risk' and 'Counterparty default risk' in Section 5 'Risks of investing in the Triple3 Volatility Advantage Fund' for more details on the risks associated with the use of derivatives.

Short selling

The Fund does not engage in short-selling securities, but may sell option contracts that it does not already own. However, the Fund must ensure that the aggregate of all bought and sold call or put options must be positive or zero. That is, the Fund cannot be net short call or put options.

The ability to invest in long and short option positions is key to the Fund's investment strategy. In selling options, the Fund bears the risk of an increase in price of the options. For example, if the Fund sells an option which it does not own and the price of the option increases after the Fund sells the option, the Fund will have to buy the option at higher price than the price at which it was sold.

The Fund manages the risks of selling options by adhering to the following risk constraints:

- ensuring the aggregate call option position of the Fund is zero or positive at all times;
- ensuring the aggregate put option position of the Fund is zero or positive at all times; and
- limiting the total loss of all options positions in any month to 5% of the Net Asset Value of the Fund. However, there is no guarantee as to the maximum loss that might be incurred.

The Fund will short sell an option where the Investment Manager's forecasting models indicate the option at the present time is expensive.

Please refer to 'Short selling risk' and 'Derivative risk' in Section 5 'Risks of investing in the Triple3 Volatility Advantage Fund' for more details on the risks associated with short selling.

Leverage

Leverage is defined as where a fund's exposure to the underlying assets is greater than the capital invested in those underlying assets. Leverage can be created through borrowing, or through the use of derivative instruments which can result in economic leverage such that the notional or effective exposure of a fund to these assets exceeds the Net Asset Value of the fund.

The Fund is not permitted to borrow money to invest although the Fund may use overdraft facilities as and when required for the efficient settlement of transactions. However, the Fund uses derivatives to implement the investment strategy, and these contracts have implicit leverage. For more information regarding how the Fund uses derivatives and the collateral requirements of derivatives counterparties refer to 'Use of derivatives' in Section 3.

It is worth noting that there are two distinct ways that leverage can be utilised:

1. Risky Use - to control a larger quantity of the underlying asset given the same amount of capital; and
2. Conservative Use - to control the same quantity of the underlying asset with less capital.

The following table demonstrates how these methods may be implemented in practice.

For simplicity fictional assets are used in the following tables. They are for illustrative purposes only and do not necessarily reflect the characteristics of other option contracts in similar circumstances. The volatility and margin requirements of option contracts are subject to change at any time.

Examples of use of leverage - \$100,000 is invested into the Fund

Underlying asset	XYZ trading at \$10 per share
Derivative on XYZ	A one-month call option, with a strike price of \$10 on XYZ, is trading at \$1 (assume each option corresponds to one XYZ share)
Objective	Buy XYZ with a view that XYZ will increase in price
Case 1. Without leverage	Buy 10,000 XYZ shares (10,000 x 10 = \$100,000)
Case 2. With leverage (risky use)	Buy 100,000 options, gaining exposure to 100,000 XYZ shares (10 times or 1000% leverage)
Case 3. With leverage (conservative use)	Buy 10,000 options paying \$10,000, surplus cash \$90,000 (same exposure as Case 1, 100% leverage)

The Fund follows the Case 3, the 'conservative use' approach to leverage as the core of its investment philosophy. The principal risk control mechanism is that the Fund cannot be net short options and is required to limit the total loss of all options positions in any month to 5% of the Net Asset Value of the Fund. These features not only limit the risk of loss, but also constrain the leverage that can practically be employed.

The Investment Manager anticipates the maximum gross leverage in the Fund will be 250% of the Net Asset Value of the Fund. The net leverage of the Fund however is expected to be below 100%.

3. ABOUT THE TRIPLE3 VOLATILITY ADVANTAGE FUND

As demonstrated in the table below, leverage is used to gain the same level of asset exposure using less capital. Instead of paying \$100,000 for 10,000 XYZ shares, only \$10,000 is used to establish the same position and the remaining \$90,000 is used to generate interest income for the Fund. The table shows the impact of leverage on the Fund's investment returns and losses assuming the maximum anticipated level of leverage. It compares the Fund's 'conservative use' of leverage with the use of no leverage at all.

Assumption: that all transaction costs are negligible under both scenarios.

Example: Case 3 use of leverage - \$100,000 is invested into the Fund

Derivatives bought and sold by the Fund	XYZ is trading at \$10 per share A one-month call option with strike price \$10 has a premium of \$2 A one-month call option with strike price \$12 has a premium of \$1
Quantities	Buy 12,500 \$10-strike calls, sell 12,500 \$12-strike calls
Cost to the trade	$12,500 \times (\$2 - \$1) = \$12,500$
Cash (from your investment)	\$100,000
Gross Exposure to XYZ	$25,000 \text{ (call options)} \times \$10 \text{ (stock price)} = \$250,000$
Gross Leverage for portfolio	$\$250,000 / \$100,000 = 250\%$ (This is within the anticipated range of 0-250% gross leverage)
If XYZ declines to \$5	
Loss in value of options position	$-\$12,500 / \$100,000 \text{ (call options expire worthless)} = -12.5\%$
If XYZ goes up to \$15	
Gain in value of options position	Final payoff for \$10-strike call = $\$15 - \$10 = \$5$ Final payoff for \$12-strike call = $\$15 - \$12 = \$3$ Total gain = $(\$5 - \$3) \times 12,500 - \$12,500 = \$12,500$

Risk management and monitoring

The Investment Manager manages risk by employing the following risk management guidelines:

- Generally up to 10% of the Fund will be invested in the volatility component, while the remainder of the Fund will be invested in Cash.
- Selling an option can result in infinite losses. The Fund mitigates this risk by adhering to the following risk constraints:
 - ensuring the aggregate call option position of the Fund is positive or zero at all times i.e. the sum total of all call options held by the Fund cannot be less than zero;
 - ensuring the aggregate put option position of the Fund is zero or positive at all times i.e. the sum total of all put options held by the Fund cannot be less than zero; and
 - limiting the total loss of all options positions of the Fund in any month to 5% of the Net Asset Value of the Fund. However, there is no guarantee as to the maximum loss that might be incurred.
- The external administrator reconciles the Fund's portfolio and profit & loss calculations daily to ensure that the assets in the Fund are correct and that the risk constraints as outlined in the point above are adhered to.
- Exchange traded derivatives are centrally cleared, which means that counterparty credit risk is mitigated.
- The products traded are highly liquid which means the portfolio can be updated swiftly.
- The Fund invests in option contracts that are denominated in USD and will result in an exposure to changes in the value of the USD relative to the AUD. Typically the exposure to USD is expected to be less than 10% of the Fund's Net Asset Value and will not be hedged.
- Counterparties are subject to an ongoing credit assessment on an annual basis. The Fund will engage the services of counterparties with an S&P credit rating of A- or better.

On a daily basis the Investment Manager monitors Profit and Loss; Fund positions, the Fund's risk constraints detailed on the previous page and reconciles the Fund's positions to broker reports.

For further information on the risks of investing in the Fund please refer to 'Risks of investing in the Triple3 Volatility Advantage Fund' in Section 5.

Location and custody of assets

The Fund invests in US exchange traded derivatives (in particular, options), US exchange traded notes and in USD cash, AUD cash, spot foreign exchange (FX) contracts, cash-like instruments such as short term call deposits, and cash equivalent securities including Treasury notes, bank bills of exchange, certificates of deposit, corporate and asset backed promissory notes and bank bill futures traded on the Australian Securities Exchange (ASX).

The US exchange traded derivatives and US exchange traded notes are traded in the USA, and denominated in USD; the derivatives being held in the USA by the clearer and the securities being held by the custodian.

Goldman Sachs International has been appointed to provide option clearing and settlement facilities. Goldman Sachs International is located in the United Kingdom. The USD exchange traded derivatives and US exchange traded notes are held by Goldman Sachs International in the USA. USD cash held to satisfy margin calls on the derivative contracts and associated collateral are held by Goldman Sachs International in the USA.

Any USD cash holdings, not paid to Goldman Sachs International, are held by an independent custodian, J.P. Morgan.

Spot foreign exchange contracts used to convert AUD to and from USD are held by counterparties in Australia, the UK and the USA.

All other assets of the Fund are located in Australia and denominated in Australian dollars.

The AUD Cash holdings of the Fund may only be invested in bank accounts with Australian authorised deposit taking institutions or cash equivalent investments including short term call deposits, and cash equivalent securities including Treasury notes, bank bills of exchange, certificates of deposit, corporate and asset backed promissory notes. These Cash assets of the Fund are held by an independent custodian, J.P. Morgan.

The derivatives used to manage the cash component of the investment strategy such as bank bill futures traded on the ASX and associated collateral and margins paid are held by clearers and counterparties based in Australia.

Liquidity

The Responsible Entity reasonably expects that at least 80% of the Fund's assets are capable of being realised, at the value ascribed to those assets in calculating the Fund's Net Asset Value, within 10 days.

Please refer to 'Liquidity risk' in Section 5 'Risks of investing in the Triple3 Volatility Advantage Fund'.

Service providers

We have appointed a number of key service providers that are involved in the ongoing operation of the Fund.

GRES has a policy which sets out the procedures for selecting, monitoring and reviewing the performance of third party service providers. GRES conducts annual and other periodic reviews to ensure compliance with service level obligations.

Investment Manager

We have appointed T3P as the investment manager of the Fund. Please refer to 'The Investment Manager' in Section 2 'About GSFM Responsible Entity Services and Triple Three Partners Pty Ltd' for more details on the investment manager.

Custodian, administrator and unit registry

We have appointed J.P. Morgan to provide custody, fund administration, portfolio accounting, portfolio compliance reporting, unit pricing, financial reporting, and taxation reporting services for the Fund.

J.P. Morgan will hold the Cash assets that the Fund invests in which include: short term call deposits, and cash equivalent securities including Treasury notes, bank bills of exchange, certificates of deposit, corporate and asset backed promissory notes on behalf of the Responsible Entity and act in accordance with our instructions. JPMorgan may appoint sub custodians from time to time. GRES may remove J.P. Morgan as the custodian and administrator of the Fund and appoint another custodian and administrator in its place at any time without notice to investors.

We have appointed Mainstream Fund Services Pty Ltd to provide unit registry services for the Fund.

There are Service Level Agreements (SLA) in place with J.P. Morgan and Mainstream Fund Services which clearly delineate the responsibilities of all parties.

GRES can terminate J.P. Morgan's appointment as Custodian and/or Administrator in the circumstances specified under the respective agreements governing these relationships.

GRES can terminate Mainstream Fund Services' appointment as Unit Registry in the circumstances specified under the agreement governing this relationship.

GRES remains liable to unit holders for acts and omissions of the custodian and administrator and unit registry. In addition, neither the custodian and administrator nor the unit registry have any supervisory obligation to ensure that GRES complies with its obligations as responsible entity of the Funds and are not responsible for protecting the rights of unit holders.

Brokers

The Investment Manager uses a panel of US based execution only brokers (that is brokers who buy and sell securities on the instructions of clients who do not require investment advice) to execute transactions on the CBOE on behalf of the Fund. The Investment Manager conducts regular assessments of broker performance. The Investment Manager may change brokers without notice to investors.

Clearing

We have appointed Goldman Sachs International to provide options clearing and settlement facilities for the Fund. We may appoint other or additional clearers from time to time. For more information, please refer to 'Use of Derivatives' in Section 3 of this PDS.

Derivative counterparties

The Fund may only enter into and execute derivative trades with counterparties, which maintain at a minimum an issuer credit rating of at least A- (S&P) or as otherwise approved by the Responsible Entity.

Auditor, Tax Agent and Compliance Consultant

We have appointed PricewaterhouseCoopers (PwC) as the independent auditor of the Fund and Compliance Plan as required by the Corporations Act.

GRES has appointed KPMG as external tax agent to perform tax related services in regard to the Fund's distributions, tax returns and taxation advice and other matters.

4. BENEFITS OF INVESTING IN THE TRIPLE3 VOLATILITY ADVANTAGE FUND



The benefits of investing in the Fund include:

- the ability to use the Fund which seeks to deliver positive returns when the SPX is falling, as a portfolio diversification tool;
- the opportunity to invest in a strategy that is not readily available in the Australian market place;
- exposure to an asset class in which it would otherwise be difficult for an individual investor to invest in for a relatively small initial investment;
- the prospect of positive returns when the SPX is falling;
- disciplined risk management process; and
- regular reporting including monthly and quarterly fund updates, regular investment statements and an annual tax statement.



5. RISKS OF INVESTING IN THE TRIPLE3 VOLATILITY ADVANTAGE FUND

All investments carry risk. Different investment strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long term returns may also carry the highest level of short term risk.

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

- the value of your investment will vary;
- the level of returns will vary and future returns may be different from past returns;
- returns are not guaranteed and you may lose some of your money; and
- laws affecting managed investment schemes may change.

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

Investing in the Fund exposes investors to the following specific risks:

Derivative risk - The Fund may invest in derivatives including options on the VIX, options on the SPX, options on the VXX, other volatility related options and exchange traded bank bill futures. The Fund also uses spot foreign exchange (FX) contracts to convert AUD to and from USD. The Fund's use of these derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other more traditional investments. Derivatives are financial contracts that are used to obtain or reduce market exposures. The value of a derivative is linked to the value of an underlying asset, rate or index and can be highly volatile. As many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. Risks associated with using derivatives may include, but are not limited to, the value of the derivative failing to move in line with that of the underlying asset, counterparty or clearer risk and potential illiquidity which may occur if a particular derivative instrument is difficult to purchase or sell, if the transaction is particularly large, or if the relevant market itself is illiquid. Accordingly, while the use of derivatives can offer the Fund the opportunity for higher returns, it can also magnify losses to the Fund and there is no assurance that any derivatives strategy used by the Fund will succeed.

Although not all of these risks can be eliminated, the Responsible Entity and Investment Manager manage these risks as far as is practicable by:

- adhering to the risk constraints of the Fund particularly in regard to there being no net shorting of put or call positions;
- regularly monitoring the derivative positions of the Fund;
- monitoring and ensuring that the Fund can pay all of the obligations associated with derivatives from the appropriate amount of cash or physical assets held by the Fund;
- not borrowing against the assets of the Fund for the purposes of leveraging the portfolio; and
- using clearers, intermediaries or counterparties the Investment Manager considers reputable.

Leverage risk - Certain transactions may give rise to a form of leverage. In particular, the Fund uses derivatives and many derivatives have a leverage component. While leverage creates an opportunity for greater total returns for the Fund, it may also magnify losses. In addition, there is a risk that the leveraged positions will tend to be more volatile, and thus the Fund may experience greater volatility than investments in a comparable portfolio without leverage.

Short selling risk - The Fund may enter into short positions by selling options. In selling options, the Fund bears the risk of an increase in the price of the option which could lead to a substantial loss (for example, if the Fund sells an option which it does not own and the price of the option increases after the Fund sells the option, the Fund will have to buy the option at higher price than the price at which it was sold). Please refer to Section 3 of this PDS for more information on short selling.

Key person risk - T3P to some extent is dependent upon the expertise of its existing investment team. Consequently, the Fund's performance could be adversely affected if key members of the investment team do not continue to provide their services to T3P. The reliance on any key person is reduced as the investment process involves a quantitative and systematic process. Refer to Section 3 'Investment strategy and how the Fund is managed' for further information regarding the construction of the portfolio.

Market risk - Changes in legal, tax and economic conditions, political events, investor sentiment and market variables such as interest rates and exchange rates can all influence (negatively or positively) the value of the Fund's investments.

Liquidity risk – Liquidity risk is the risk that:

- It may be difficult to realise within a reasonable time frame the full value of particular securities in which the Fund is invested because of market conditions or liquidity issues with respect to the specific securities; or
- The Fund itself may become illiquid. This could have a detrimental effect on the value of the investments, or may impact an investor's ability to withdraw from the Fund.

We closely monitor cash levels in the Fund to manage this risk and ensure that there is adequate liquidity to meet the needs of investors in ordinary circumstances.

Counterparty default risk – This is also sometimes referred to as 'credit risk'. Issuers or entities upon which the Fund's investments depend may default on their obligations, for instance by failing to make a payment when due. Such parties can include the CBOE, brokers (including clearing brokers), foreign exchange counterparties, derivative counterparties, deposit taking banks, as well as the Fund's custodian. Default on the part of an issuer or counterparty could result in a financial loss to the Fund.

Collateral risk – The Fund enters into derivatives arrangements that require it to deliver collateral to the derivative counterparty or clearer. As such, the Fund may be exposed to certain risks in respect of that collateral including, the Fund:

- will be required to post initial margin/collateral to the derivative counterparty or clearer in the form of cash. The Fund will need to have sufficient liquid assets to satisfy this obligation;
- may from time to time, if the value of the derivative arrangements move against it, be required to post variation margin/collateral with the derivatives counterparty or clearer on an ongoing basis. The Fund will need to have sufficient liquid assets to satisfy such calls, and in the event it fails to do so, the counterparty may have a right to terminate such derivatives arrangements; and
- may be subject to the credit risk of the derivatives counterparty or clearer. In the event the counterparty or clearer becomes insolvent at a time it holds margin/collateral posted with it by the Fund, the Fund will be an unsecured creditor and will rank behind preferred creditors.

Concentration risk – The purpose of the Fund is to produce returns that are negatively correlated to the SPX. Traditional portfolio diversification does not work to achieve this objective. Rather the Fund invests in VIX options (and related products) with the aim to generate returns that are negatively correlated to the SPX in bear markets. In this regard, the Fund is heavily concentrated in one market.

Currency risk – The Fund invests in option contracts that are traded in the USA. These contracts are denominated in USD and will result in an exposure to changes in the value of the USD relative to the AUD. Typically the exposure to USD is expected to be less than 10% of the Fund's Net Asset Value and will not be hedged. Any USD profits or losses not otherwise applied to margin requirements will be converted back into AUD regularly.

Cyber security risk – This is the risk that the information technology systems used by us and our service providers when managing and operating the Fund may expose the Fund to potential cyber security breaches including but not limited to unauthorised access to and/or erroneous use of proprietary information, Unitholder's personal information or Fund data.

Fund risk – Risks particular to the Fund include the risk that it could be terminated, the fees and expenses could change, GRES could be replaced as Responsible Entity and Triple Three Partners Pty Ltd could be replaced as Investment Manager. There is also a risk that investing in the Fund may give different results from investing individually because of income or capital gains accrued in the Fund at the time of investing and the consequences of investment and withdrawal by other investors.

There is the risk that the VIX will not remain negatively correlated to the SPX; and that option prices will not continue to display a strong and persistent source of risk premium.

You could receive back less than you invested and there is no guarantee that you will receive any capital or income.

GRES aims to keep Fund risk to a minimum by monitoring compliance with the risk constraints and how the various risks may impact on the Fund and by acting in the unit holders' best interest as a whole.

Interest rate risk – The performance of the cash component of the Fund will be sensitive to movements in interest rates. In a low interest rate environment, the cash component of the Fund will achieve a lower rate of interest than in a high interest rate environment.

International investments risk – The Fund invests in derivatives contracts issued in the USA. Risks inherent in this type of investment include differences in relation to accounting, auditing, financial reporting, government regulation, securities exchanges, and settlement and clearance procedures. Fluctuations in foreign currency exchange rates may also adversely affect the value of foreign securities. In addition, laws of overseas jurisdictions can impact returns on international investments.

5. RISKS OF INVESTING IN THE TRIPLE3 VOLATILITY ADVANTAGE FUND

Investment Manager risk - The Fund's performance depends on the expertise and investment decisions of T3P and there is a risk that the Investment Manager's investment decisions will not achieve the Fund's return objectives.

Borrowing risk - Borrowing within the Fund could magnify the impact of any movements in the prices of the underlying investments of that Fund and therefore the value of your investment. Consequently, these investments may produce more volatile gains or losses compared to investing in the same investments without making use of borrowings. The Investment Manager does not intend to borrow for speculative purposes but may borrow with overdraft facilities as and when required for the efficient settlement of transactions.

Operational risk - The Fund's day to day operations may be adversely affected by circumstances beyond the reasonable control of the Responsible Entity, such as failure of technology or infrastructure, or natural disasters.

Regulatory risk - The risk that a change in government policies (including taxation), laws and regulations may adversely affect the value of an investment in the Fund or its underlying assets.

Service provider risk - The risk that third party service providers engaged by the Responsible Entity to provide certain services to the Fund including for example, administration, custody and valuation services, do not properly perform their obligations and duties and cause harm to the Fund.

Systems risk - The Investment Manager uses proprietary quantitative models to build a forecast distribution of prices and volatilities for the SPX, VIX, VXX options and other volatility related options, and identify investment opportunities. The portfolio is constructed utilizing the Investment Manager's portfolio construction algorithm and risk management framework. In addition to T3P's proprietary software and code, the Investment Manager is also reliant on third-party hardware and software. Any issues with the design, development, implementation, maintenance or operation of the models and forecasting and optimisation system or any risk management processes and procedures may cause losses to the Fund.

6. FEES AND OTHER COSTS



DID YOU KNOW?

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

For example, total annual fees and costs of 2% of your account 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 own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

The managed funds fee calculator can also be used to calculate the effect of fees and costs on account balances.

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

If you are investing in the Fund via an IDPS operator, you will need to consider the fees and other costs of the IDPS when calculating the total cost of your investment.

WARNING: If you consult a financial adviser you may also pay an additional fee that will be set out in the Statement of Advice between you and the financial adviser.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole. The following can be used to compare costs between different managed investment schemes.

Taxes are set out in Section 8 'How managed investment schemes are taxed' of this PDS.

Triple3 Volatility Advantage Fund

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Fund		
Establishment Fee The fee to open your investment	Nil	Not applicable
Contribution Fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal Fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit Fee The fee to close your investment	Nil	Not applicable
Management Costs^{1,2,3}		
Management Costs The fees and costs for managing your investment	1.45% p.a. of Net Asset Value	<p>Management Fee - 1.45% p.a. of Net Asset Value. The Management Fee is not deducted directly from your account. Instead, we calculate and accrue the Management Fee daily in the unit price of the Fund. It is paid to the Responsible Entity monthly in arrears from the assets the Fund.³</p> <p>Performance Fee - 0% p.a. of Net Asset Value. This is a reasonable estimate at the time of this PDS of the prospective performance fee, and has been calculated based on actual Performance Fees payable for the previous financial year. The Performance Fee is calculated each business day and accrued daily in the unit price and paid to the Responsible Entity annually in arrears from the assets of the Fund.⁴</p>
Service Fees		
Switching Fee The fee for changing investment options	Nil	Not applicable

1. All fees and costs set out in this section are inclusive of GST and any applicable stamp duty, less any applicable input tax credits and reduced input tax credits.
2. An allowance for transactional and operational costs applies to investments into and withdrawals from the Fund. Please refer to 'Transactional and operational costs and the 'Buy/Sell spread' in the 'Additional explanation of fees and costs' in this section of the PDS.
3. The amount of this fee can be negotiated if you are a wholesale client under the Corporations Act. Please refer to 'Differential fees' in the 'Additional explanation of fees and costs' in this section of the PDS.
4. This estimate is inclusive of GST less any applicable input tax credits and reduced input tax credits. Past performance is not a reliable indicator of future performance. The actual Performance Fee payable (if any) will depend on the performance of the Fund over the relevant period.

Example of annual fees and costs

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

Example		Balance of \$50,000 with a contribution of \$5,000 during year ¹
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS, Management Costs ³		And, for every \$50,000 you have in the Fund you will be charged up to \$725 each year.
Management Fee	1.45% p.a. of Net Asset Value	
plus		
Estimated Performance Fee*	0.00%	
	1.45%	\$725
EQUALS Cost of the 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: \$725³ What it costs you will depend on the fees you negotiate.

1. The example assumes that the \$50,000 is invested for the entire year and that the \$5000 contribution occurs at the end of the first year, so that the management costs are calculated using the \$50,000 balance only. In practice, an investor's actual investment amount will vary daily and the actual fees and costs we charge are based on the value of the Fund which also fluctuates daily.
2. Additional fees may apply. An allowance for transactional and operational costs applies to investments into and withdrawals from the Fund. Please see 'Transactional and operational costs' and 'Buy/Sell spread' in the 'Additional explanation of fees and costs' in this section of the PDS.
- 3.* A performance fee is not always payable. The figure used for the Management Costs (consisting of the Management Fee and Performance Fee) in the example above reflects the Responsible Entity's reasonable estimates at the time of this PDS of the typical ongoing amounts. The reasonable estimate of the Performance Fee (being 0% per annum of Net Asset Value) is based on actual Performance Fees for the Fund for the previous financial year. These estimates are inclusive of GST and any applicable stamp duty, less any applicable input tax credits and reduced input tax credits. Past performance is not a reliable indicator of future performance. The actual Performance Fee payable (if any) will depend on the performance of the Fund over the relevant period. See 'Performance fee' in the 'Additional explanation of fees and costs' section below for a dollar worked example.

Additional explanation of fees and costs

Management costs

Management costs are composed of a management fee component, a performance fee component and an indirect costs component as set out in the table above. Please refer to 'Indirect costs' which follows in this section. The management costs do not include transactional and operational costs.

Management Fee

The Management Fee for the Fund is 1.45% per annum of the Net Asset Value of Class A units of the Fund. The Management Fee is calculated and accrued daily in the unit price of Class A units in the Fund and is paid monthly in arrears.

From the Management Fee we pay all investment management fees (including the fees of the Investment Manager), all normal operating expenses of the Fund including custody fees, audit fees, accounting fees, legal and regulatory fees and all other normal costs except abnormal costs as described later in this section and transactional and operational costs. We will provide prior notice to investors if we seek to recover normal operating expenses from the Fund in the future.

Indirect costs

Indirect costs are any amounts paid from the Fund's assets that we know or where required, reasonably estimate will reduce the return of the Fund or the amount or value of the income of, or assets attributable to the Fund, other than the Management Fee, Performance Fee and abnormal costs as set out elsewhere in this section. The indirect costs include (a) the indirect costs that we know or ought to know for the previous financial year and (b) where we do not know or ought to know the indirect costs, a reasonable estimate of those indirect costs based on the information available to us as at the date of this PDS. As such, the actual indirect costs may differ from year to year.

As at the date of this PDS, the Fund has not incurred indirect costs.

Abnormal costs

We may recover other costs or expenses incurred (or that will be incurred) by us in connection with the management of the Fund including, but not limited to, those resulting from abnormal circumstances (such as a change of the responsible entity or investment manager, termination of the Fund or unit holder meetings) out of the assets of the relevant class of the Fund for which such cost or expense is incurred. In the previous financial year these costs were zero. We do not believe we can reliably estimate abnormal costs or expenses but expect that the circumstances which cause such costs to be incurred will not occur regularly. If any abnormal costs or expenses are to be deducted, we will give you 30 days written notice.

Transactional and operational costs

Transactional and operational costs are costs associated with the buying and selling of the Fund's assets and are charged directly to the Fund. These costs include brokerage, settlement costs, clearing costs, stamp duty, GST and other taxes. Transactional and operational costs are an additional cost to you and are not included in the 'Management Costs', instead they recovered as incurred and reflected in the unit price and are borne indirectly by investors as they reduce the returns generated by the Fund, and consequently, your investment.

The transactional and operational costs are expressed as a percentage of the average Net Asset Value of the Class A units. The transactional and operational costs for the Fund for the previous financial year were 0.02% of the Net Asset Value of the Fund. Any transactional and operational costs have been offset by the buy/sell spread recovery. The net transactional and operational costs are borne by the Fund.

Transactional and operational costs are calculated using the transactional and operational costs for the Fund for the previous financial year and will vary from year to year reflecting the actual expenses incurred. This means that estimated and/or historical costs may not be an accurate indicator of the fees and costs an investor may pay in the future. This is because the turnover in the underlying assets may change substantially as investment and markets conditions change, which may affect the level of transactional and operational costs incurred.

Around the end of each financial year, where new transactional and operational costs information is not materially adverse, the updated information will be posted on our website www.gsfm.com.au and we will advise you in the next regular communication after the change. If there is a material change to these costs we will issue a replacement PDS.

Buy/Sell spread

The buy/sell spread is an additional cost incurred by you when you invest in or withdraw from the Fund. The buy/sell spread is an adjustment to the unit price to cover those transactional and operational costs associated with buying and selling the Fund's assets. The buy/sell spread is not a fee paid to us but is paid to the Fund to offset the transactional and operational costs incurred.

The buy/sell spread may vary from time to time to reflect changes in the transactional and operational costs incurred, or likely to be incurred. The buy/sell spread for the Fund is currently 0.20% of the Net Asset Value per Class A unit when you make an application for or a withdrawal of units in the Fund. If we do vary the buy/sell spread, we will not provide prior notice unless the change is material. The updated information will be posted on our website www.gsfm.com.au and we will advise you in the next regular communication after the change.

The buy/sell spread will not apply to units you receive from distributions that are reinvested or to certain other transactions (including transfers).

Worked dollar example

The current buy spread on an investment in the Fund is 0.20%. Therefore, the cost of an investment of \$50,000 into the Fund would be \$100.

The current sell spread on a withdrawal from the Fund is 0.20%. Therefore, the cost of a withdrawal of \$50,000 from the Fund would be \$100.

Please note this is just an example. In practice, the actual transactional and operational costs will depend on the amount you invest or withdraw.

Performance Fee

The management costs for the Fund include a performance fee. The methodology for the Performance Fee is set out below.

Performance Benchmark

The Performance Benchmark is the RBA Cash Rate Target (**Performance Benchmark**).

How is the Performance Fee calculated and paid?

The Performance Fee is calculated each business day as 20% of the difference between the daily dollar return of the Fund and the daily dollar return of the Performance Benchmark.

Each business day, a calculation is performed to determine both:

- a) the dollar return of the Fund (in AUD), after adjusting for close of day cash flows (that is, application and redemptions) and distributions payable and also after taking into account all income and expenses of the Fund, including management fees; and
- b) the dollar return of the Performance Benchmark (in AUD), that is, the return that would have been generated had the same amount of money been invested at the Performance Benchmark.

The Performance Fee rate of 20% is applied to the dollar difference between (a) and (b) and this amount (which may be a positive or negative amount) is added to the unpaid Performance Fee amount. This unpaid Performance Fee amount is the aggregate of all daily Performance Fee amounts calculated during the Performance Fee Calculation Period (being each financial year).

If, on a given business day, the unpaid Performance Fee in aggregate is positive, then this amount will be included in the daily Net Asset Value. If, on a given business day, the unpaid Performance Fee amount in aggregate is negative, then no Performance Fee amount will be included in the daily Net Asset Value.

At the end of the last business day of the Performance Fee Calculation Period (that is, at the end of the financial year):

- a) if the unpaid Performance Fee included in the Net Asset Value is positive, the amount of that Performance Fee is due and payable to GRES (after taking into account GST and RITC). GRES will pay 75% of the net Performance Fee received to T3P;
- b) otherwise, if the unpaid Performance Fee included in the Net Asset Value is negative or zero, no Performance Fee is payable to GRES and the negative amount will be carried forward to the next Performance Fee Calculation Period.

Performance Fees will generally be paid to GRES annually.

Generally, the greater the investment performance of the Fund, the greater the Performance Fee and therefore the greater the overall Management Costs for the Fund. The Performance Fee is estimated as 0% pa of Net Asset Value based on the previous financial year. Past performance is not a reliable indicator of future performance. The actual Performance Fee payable (if any) will depend on the performance of the Fund over the relevant period

The following table illustrates a simplified worked dollar example of the performance fee payable for a Performance Fee Calculation Period (from 1 July to 30 June) in respect of Class A units assuming:

- an initial and constant investment of \$50,000 throughout the Performance Fee Calculation Period (that is assuming no applications or withdrawals);
- a total annual return of the Fund of \$10,000 (earned equally every day of the year);
- a total annual return of the Performance Benchmark of \$2,000 (also earned equally every day of the year);
- that there is only 1 investor in the Fund;
- the effect of the buy/sell spread, and expense and fee accruals including management costs, transactional and operational costs, GST and RITC and related accruals are excluded;
- no distributions are paid in during the Performance Fee Calculation Period.

6. FEES AND OTHER COSTS

This example is provided for illustrative purposes only and does not take into account the timing of cash flows, or the individual circumstances of individual investors, and should not be taken as an indication or guarantee of future performance nor an indication of the performance fee that could be charged in the future. We do not provide any assurance that the Fund will achieve the performance used in the example and you should not rely on this in determining whether to invest in the Fund. The same assumptions as detailed above apply to this table also.

Example	Balance of \$50,000 with no further contributions or withdrawal during year
Commencing Investment and Opening NAV at beginning of Performance Fee Calculation Period	\$50,000.00 (50,000 units issued)
Opening Unit Price	\$1.00 per unit (\$50,000/50,000)
Closing NAV at end of Performance Fee Calculation Period	\$60,000 being the \$50,000 opening NAV plus annual return of the Fund during the Performance Fee Calculation Period of \$10,000
Closing Unit Price at end of Performance Fee Calculation Period (where Performance Fee payable)	\$1.1680 per unit being (\$60,000 (Closing NAV) - the Performance Fee) / 50,000 units where the Performance Fee is (\$10,000 (annual return of the Fund) - \$2,000 (annual return of the Performance Benchmark)) * 20% Performance Fee ¹
Closing Unit price had there been no Performance Fee for the Fund	\$1.200 per unit (\$60,000/50,000 units)
Performance Fee Payable to GRES	\$1,600.00 = (\$10,000 - \$2,000) * 20%

1. Please note that as explained above the performance fee is calculated each Business Day based on the daily return of the Fund and the daily return of the Performance Benchmark and is accrued in the daily Net Asset Value.

Fee maximums and changes to fees

We are entitled under the Constitution of the Fund to charge a Contribution Fee and Withdrawal Fee each of 5% of the application/withdrawal amount, a Management Fee of 3% per annum of the assets of the Class A units of the Fund and a Performance Fee of 20% of the excess return generates over the Performance Benchmark. We have elected to limit our Management Fee to 1.45% of the Net Asset Value and in the case of the Contribution Fee and Withdrawal Fee waive these fees altogether.

We may elect to change the fees and costs outlined in this section (e.g. due to changes in economic conditions and size of the Fund) without investor consent. We will provide you at least 30 days written notice of any changes; except for changes to the buy/sell spread (refer to the buy/sell spread section above).

Indirect investors

If you invest in the Fund through a master trust or wrap account (**IDPS**), the fees and costs applicable to the IDPS (and set out in the IDPS offer document or client agreement) are payable in addition to the fees and costs stated in the PDS.

Fund manager and platform access payments

There are circumstances when we may, subject to the law, pay a platform to make the Fund available on their investment menu. There are two types of payment that can be made:

- product access payments where a flat dollar amount per annum is paid to the platform provider for administrative and investment related services; and
- fund manager payments where a volume based shelf-space fee based on past, current or projected volumes invested is paid to the platform provider.

If you invest in the Fund via a platform these payments may be rebated to you or may be retained (in full or in part) by the platform operator.

If we do pay fees, we will pay them from our own resources so that they are not an additional cost to the Fund or to you.

Adviser remuneration

We may, subject to the law, pay commissions and indirect remuneration to licensed financial advisers and other financial service providers. These amounts are paid from our own resources so that they are not an additional cost to the Fund or to you. We will only make these payments to the extent they are permitted by law.

We keep a register of indirect remuneration (e.g. non-monetary benefits valued between \$100 and \$300) paid to other financial services licensees. The register is publicly available and you may inspect this register by calling 1300 133 451.

Differential fees

We may charge fees on a different basis to a wholesale client (as defined under the Corporations Act) based on individual negotiation between us and that wholesale client.

We may, in certain circumstances determined by us, as permitted under law, negotiate special arrangements concerning fees (including fee reductions and rebates) with other investors.

We may, where permitted under the law, charge fees on a different basis to certain employees of GRES and employees of its associated entities.

Through the operation of rebates which are paid from the fees that we receive, we may effectively charge net fees on a different basis to:

- a) a wholesale client (as defined under the Corporations Act) based on individual negotiation between us and that wholesale client and/ or
- b) where permitted under the law, charge net fees on a different basis to certain employees of GRES and employees of its associated entities. These employees may be entitled to a rebate of up to 0.30% to be reinvested in the Fund; and/or
- c) where in special circumstances determined by us and permitted under the law charge net fees on a different basis to other investors. These investors may be entitled to a rebate of up to 0.30% to be reinvested in the Fund.

All of the above arrangements will involve a rebate of the investment management fees that we earn and hence:

- the fees that are charged to all Class A investors in the Fund without the rebate is identical; and
- any rebates that we pay to wholesale investors or to staff are not an additional cost to the Fund or to you.

Relevant investors should contact the Responsible Entity in relation to negotiating fees. See the page 1 of this PDS for our contact details.

Related party payments

GSFM Pty Limited (**GSFM**) is a related party of GRES. GSFM provides distribution, administrative and support services to GRES. GRES pays fees to GSFM in this regard on arms-length commercial terms.



7. DEALING WITH YOUR INVESTMENT

Unit pricing

The Net Asset Value unit price for Class A units in the Fund is calculated by taking the total market value of all of the assets attributable to the Fund's Class A units on a particular day, adjusting for any attributable liabilities including management fees payable and amounts accrued in relation to Performance Fees (Net Asset Value) and then dividing this by the total number of Class A units held by all investors in the Fund on that day. The entry and exit unit prices are determined by adjusting the Net Asset Value price by the buy and sell spreads.

Unit prices will vary as the market value of the Fund's assets rise or fall.

When you make an investment in the Fund, you are allocated units based on the entry price. When you withdraw from the Fund, we redeem your units based on the exit price.

Unit prices are generally calculated each Sydney business day except where withdrawals are suspended (see 'Withdrawing' in Section 7 'Dealing with your investment') and posted on the website: www.gsfm.com.au or by telephoning 1300 133 451.

Investing

The minimum initial investment in the Fund is \$25,000. We may waive this minimum requirement at our absolute discretion and in certain circumstances may reject an application.

1. Complete all sections of the Application Form. Additional copies are available from www.gsfm.com.au or by calling 1300 133 451. Information about how to complete the Application Form, and payment details and methods are available with the Application Form.
2. As part of the application process we are required by law to verify your identity before accepting your application. Please refer to the Anti-Money Laundering and Counter Terrorism Act information included with your Application Form.

3. To comply with the FATCA and CRS requirements, we will collect additional information from you and will disclose such information to the Australian Taxation Office. This information may be shared with revenue authorities in other jurisdictions under the various exchange of information agreements that Australia has entered into with other jurisdictions. For more information on FATCA and CRS refer to 'How managed investment schemes are taxed' in Section 8 of this PDS.

4. Return your completed and signed Application Form and the other documents requested to us with your cheque marked not negotiable and made payable to '**Triple3 Volatility Advantage Fund - Name of Applicant**' to:

Mainstream Fund Services - Unit Registry
GPO Box 4968
Sydney NSW 2001

Or

You may pay by direct debit or electronic funds transfer (**EFT**).

If you are paying by direct debit, we require you to complete and sign the Direct Debit section of the Application Form. This provides us with the authority to debit your account. Please ensure you have read the terms of the Direct Debit Service Agreement, which follows in Section 10 of this PDS. It may take up to three business days for your application monies to clear from the date we issue a direct debit request to your bank. We will not issue units until your application monies have cleared. Direct debit requests can only be made from an Australian bank account.

If paying by EFT please indicate your name (or part of your name) in the EFT description and deposit the application money to the following account:

Bank: National Australia Bank
BSB: 082-057
Account name: Triple3 Volatility Advantage Fund Application Account
Account number: 92-941-4237

About your application money

Application money will be held in a bank account until invested in the Fund or returned to you. Monies will generally, be held for a maximum period of one month commencing on the date we receive the monies. Any interest paid on that account will be paid to the Fund and not to you regardless of whether your application is successful. Once we receive your completed application form, the monies held will be divided by the next determined unit price to calculate the number of units allocated to you.

Incomplete or rejected application forms

We are not bound to accept an application and we accept no responsibility for applications that have been sent to an incorrect address or for funds that are paid to an incorrect account. You are responsible for ensuring that the application form is completed correctly and that you use the correct contact details. Your application may be delayed or not processed if you: do not provide the information requested; or provide us with incomplete or inaccurate information; or send your application to an incorrect address.

We will not be liable to any prospective investor for any losses incurred, including from market movements, if an application is rejected or the processing of an application is delayed.

Regular monthly investment plan

The regular monthly investment plan enables you to open an account to invest in the Fund with a lower initial investment amount and then to invest regular additional investment amounts each month via direct debit from a nominated account. The minimum initial investment if you participate in a regular monthly investment plan is \$10,000 with a minimum ongoing monthly contribution of \$200. To start a regular monthly investment plan, simply complete the relevant sections of the Application Form which includes an authority to directly debit the contributions from your nominated bank account. Direct debits will be processed on the first business day following the 19th calendar day of each month.

Cooling off period

If you are a retail client (as defined in the Corporations Act) you have a 14 day 'cooling off period' commencing on the earlier of the end of the fifth day after we issue the units to you or within 14 days from the date you receive confirmation of your transaction. If, during the 'cooling off period', you decide that the investment does not meet your needs, then you should immediately notify us. If you exercise your cooling off rights we will return your money to you and no fees will apply. The amount you receive will reflect any market movement up or down which means there may be taxation implications for you. We will also deduct any tax or duty incurred and a reasonable amount for transaction and administration costs. As a result, the amount returned to you may be less than your original investment.

The cooling off period does not apply if you invest in the Fund indirectly via a wrap account or master trust. See 'Cooling off' for indirect investors later in this section of the PDS.

Making an additional application

You can add to your investment at any time by mailing or faxing us an Application Form, which can be downloaded from our website www.gsfm.com.au, or send us your written instructions with your cheque marked not negotiable and made payable to: '**Triple3 Volatility Advantage Fund - Name of Applicant**'. The minimum additional investment is \$5,000.

Alternatively, you may pay by direct debit or electronic funds transfer (EFT).

If paying by direct debit it may take up to three business days for your application monies to clear from the date we issue a direct debit request to your bank. We will not issue units until your application monies have cleared.

If paying by EFT please indicate your name (or part of your name) in the EFT description and deposit the application money to the following account:

Bank: National Australia Bank
 BSB: 082-057
 Account name: Triple3 Volatility Advantage Fund Application Account
 Account number: 92-941-4237

Please ensure that applications are either sent to the Mainstream Fund Services - Unit Registry address referred to in the PDS, faxed to (02) 9251 3525 or emailed to registry@mainstreamgroup.com.

We accept no responsibility for applications that have been sent to an incorrect address or for funds that are paid to an incorrect account. You are responsible for ensuring that you use the correct contact details.

Processing

The cut off time each business day for receiving an application request is 2pm Sydney time. If we receive your completed application request (including the application monies), by 2pm Sydney time we will process the transaction using that day's unit price. Requests received on or after the cut off time or on a non-business day will generally be effective the next business day.

Instructions received via email and facsimile

By instructing us by email or fax you acknowledge that GRES and Mainstream Fund Services are entitled to rely on, and you will be liable for, any instruction received by email or fax which appears to be duly authorised by you. It is expected that this service will allow you to manage your investment more efficiently, though by transacting in this way you acknowledge that there is an increased risk of fraud and you release us from, and agree to reimburse us for, any losses and liabilities arising from the payment or action taken by GRES or Mainstream Fund Services (acting reasonably) provided that we have acted without fraud or negligence.

Amending your investor details

To amend any details in regard to your investment please send us your written instructions (or Change of Details Form) signed by the appropriate authorised signatory(ies). If we cannot satisfactorily identify you as the investor, we may either reject and refuse to process, or delay making the requested change(s) until we can confirm that the amendment instruction we have received is valid.

You may either mail, fax or email changes relating to your account with the exception of changes relating to your nominated bank account which we require to be sent by mail. To enable us to verify that the bank account is in the name of the investor please include either a copy of the bank statement or a deposit slip for the new account.

Privacy and your personal information

The Application Form available from www.gsfm.com.au requires you to provide personal information. GSFM Responsible Entity Services (**GRES**) and its service providers or the Fund may collect, hold and use your personal information in order to assess your application, service your needs as an investor, provide facilities and services to you, and for other purposes permitted under the Privacy Act 1998 (Cth) and the Australian Privacy Principles (**APPs**). Other legislation may also require some of the information to be collected in connection with your application.

If you do not provide the information requested or provide us with incomplete or inaccurate information, your application may not be able to be processed efficiently, or at all. Your information may be disclosed to your financial adviser (if any) and to GRES's agents (including the Investment Manager) and service providers on the basis that they deal with such information in accordance with the privacy policy of GRES. We do not currently directly disclose your personal information overseas, though our service providers may disclose this to their overseas affiliates. For further information, please review our privacy policy, available at www.gsfm.com.au. A copy of the registry provider Mainstream Fund Services' Privacy Notice can be accessed at <https://www.mainstreamgroup.com/mbpo/Privacy-Notice>.

You will be able to gain access to your personal information collected by us by contacting mail to: Mainstream Fund Services on 1300 133 451 or by emailing registry@mainstreamgroup.com.

If you have any concerns about the completeness or accuracy of the information we have about you or would like to access or amend your personal information held by the Responsible Entity (or its registry provider) please contact Mainstream Fund Services by:

Phone: 1300 133 451

or by mail to

Mainstream Fund Services - Unit Registry
GPO Box 4968, Sydney NSW 2001.

Our privacy policy, available at www.gsfm.com.au contains information about how you may complain about a breach of the APPs and how we will deal with this complaint.

Anti-Money Laundering & Counter-Terrorism Financing Act 2006

We are required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth) and relevant rules and regulations (**AML/CTF Law**). This means that we will require you to provide personal information and documentation in relation to your identity when you invest in the Fund. We may need to obtain additional information and documentation from you to process your application or subsequent transactions or at other times during your investment.

We may need to identify:

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

In some circumstances, we may need to re-verify this information and may be obliged under AML/CTF Law to disclose such information and documentation to Australian regulatory and/or law enforcement agencies.

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

If you have any questions with our requirements please call Mainstream Fund Services on 1300 133 451 or email to registry@mainstreamgroup.com.

Withdrawing

Making a withdrawal

You may redeem some or all of your units by mailing or faxing a completed and signed Withdrawal Form, which can be downloaded from our website, or sending us your written instructions. The minimum withdrawal amount is \$5,000 or your investment balance if it is less than \$5,000.

Requests to withdraw must be signed by the appropriate authorised signatory (ies). If we cannot satisfactorily identify you as the redeeming investor, we may either reject and refuse to process, or delay your withdrawal until we can confirm that the withdrawal instruction we have received is valid. Your instruction will be treated as not being received until we have been able to confirm that it is valid.

Withdrawals will be paid to your nominated Australian Bank Account usually within five business days. The Fund's Constitution allows us up to 21 days to pay withdrawal requests in certain circumstances.

Please ensure that withdrawal requests are either sent to Mainstream Fund Services - Unit Registry, GPO Box 4968, Sydney NSW 2001 or faxed to (02) 9251 3525 or emailed to registry@mainstreamgroup.com.

We accept no responsibility for withdrawal requests that have been sent to an incorrect address or fax number. You are responsible for ensuring that you use the correct contact details and accept that if you use incorrect address details your withdrawal request may be delayed or not processed.

There may be circumstances where withdrawals are suspended and you may not be able to withdraw your investment from the Fund in the usual time period. We may delay or suspend a withdrawal request when it is impracticable for us, or we are unable, to calculate the Net Asset Value of the Fund. This may occur, for example, because of financial market disruptions or closures, or if the Fund becomes illiquid. If the Fund becomes illiquid (as defined in the Corporations Act), units may only be withdrawn if we make a withdrawal offer to all unit holders in the Fund in accordance with the Fund's Constitution and the Corporations Act.

Please refer to 'Restrictions on withdrawing your investment' that follows in this section.

If there are any material changes to investors' withdrawal rights we will provide you with written notice. Changes to information in this PDS that is not materially adverse to investors will be available on our website, www.gsfc.com.au. Please check our website, contact your financial adviser, or call 1300 133 451 for any updates prior to investing or withdrawing from the Fund.

Processing

The cut off time each business day for receiving a withdrawal request is 2pm Sydney time. If we receive your withdrawal request by 2pm Sydney time we will process the transaction using that day's unit price. Requests received on or after the cut off time or on a non-business day will generally be effective the next business day.

If we receive an invalid or incomplete application or withdrawal request, the transaction request will be processed using the unit price applying on the business day we receive the correct or complete documentation. The cut-off time of 2pm Sydney time still applies.

If you are an indirect investor please follow the instructions of the master trust or wrap account (IDPS) operator on how to make a withdrawal from the Fund.

Restrictions on withdrawing your investment

There may be circumstances when your ability to withdraw from the Fund is restricted. Please read the following information on restrictions on withdrawals.

No withdrawals, or payment of withdrawal proceeds shall be permitted where the issue or redemption of Units is suspended. Withdrawals may be suspended for up to 120 days including where:

- a) it is impracticable for us, or we are unable, to calculate the Net Asset Value of the Fund for example, because of financial market disruptions or closures;
- b) the payment of withdrawal proceeds involves realising a significant portion of the Fund's assets which would, in our opinion, result in remaining unit holders bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage or decrease in the value of their units;
- c) where we reasonably consider it to be in the interests of unit holders;
- d) where we reasonably estimate that we must sell 5% or more (by value) of all assets of the Fund to meet withdrawal requests;
- e) where the Fund's investments suspend, delay or restrict the redemption, issue or payment of withdrawal proceeds or we are unable to provide a withdrawal price; or
- f) it is otherwise legally permitted.

If the Fund becomes illiquid

The withdrawal process, including the calculation of the withdrawal price, described above applies only when the Fund is 'liquid' (as defined by the Corporations Act).

If the Fund becomes illiquid (as defined in the Corporations Act), units may only be withdrawn if we make a withdrawal offer to all unit holders in the Fund in accordance with the Fund's Constitution and the Corporations Act.

Under the Corporations Act, a Fund is regarded as liquid if liquid assets account for at least 80% of the value of the assets of the Fund. Liquid assets typically include money in an account or on deposit with a bank, bank accepted bills, marketable securities and property of the kind prescribed under the Corporations Act. At the date of this PDS, the Responsible Entity expects that the Fund will be liquid under the Corporations Act.

Transferring units

You can transfer your units to a third party by completing a Standard Transfer Form which can be obtained from your financial adviser or calling Mainstream Fund Services on 1300 133 451 and sending it to us together with an Application Form and AML/CTF identification form and documents completed and signed by the party to whom you are transferring units. We reserve the right to refuse a request to transfer units.

As a transfer of units involves a disposal of units it may have tax implications. There may also be stamp duty payable. You should obtain tax and stamp duty advice before requesting a transfer.

Distributions

The Fund aims to pay any distributions quarterly, with the final distribution generally determined at the end of June each year. The Fund's unit price will generally fall after each distribution. The distribution amount will vary between distribution periods and is not guaranteed. There may be circumstances when a distribution is not made by the Fund and circumstances when a special distribution is made outside of the usual distribution periods. The distributions you receive are generally assessable income and can include income and capital gains generated by the Fund. We calculate the distribution based on the Fund's net income at the distribution date divided by the number of units on issue. The amount you receive for each distribution will depend on the number of units you hold in the Fund at the end of the distribution period.

You can choose to have your distributions:

- automatically re-invested. There is no buy/sell spread on distributions that are reinvested. The additional units will be issued using the unit price applicable immediately after the distribution; or
- you may have your distribution directly credited to your nominated Australian Bank Account.

Distributions will be reinvested unless you instruct us otherwise on the Application Form.

Indirect investors

Indirect investors

We authorise the use of this PDS for investors who wish to access the Fund indirectly through an Investor Directed Portfolio Service (IDPS), IDPS-like scheme or a nominee or custody service (collectively referred to as 'master trust or wrap accounts').

If you invest in the Fund through an IDPS you should note that some information in this PDS may be relevant only for direct investors. This includes information relating to cut-off times for investing, processing times and the time frame for payment of distributions, as well as Fund reporting and investor notices.

If you invest in the Fund through a master trust or wrap account you do not become a unit holder in the Fund and do not have the rights of a unit holder or acquire any direct interest in the Fund. The operator or manager of the IDPS becomes a unit holder and acquires these rights and may exercise these rights as they see fit.

Application form

If you are investing in the Fund through an IDPS do not complete the Application Form accompanying this PDS. Indirect Investors should complete the application form supplied by the operator of the IDPS.

Reporting

You will not receive statements, tax information or other information directly from us. You should receive equivalent information from the operator of the IDPS.

Withdrawals

Provisions which relate to withdrawals from the Fund will apply to the operator of the IDPS and not to you, the Indirect Investor.

Fees and expenses

Fees and expenses applicable to the IDPS (and set out in the IDPS offer document or client agreement) are payable in addition to the fees and expenses stated in this PDS.

Tax

Taxation consequences of investing in the Fund, Section 8 (How managed investment schemes are taxed), does not consider the treatment of Indirect Investors. You should consult your tax adviser in relation to investing through an IDPS.

Cooling off

Indirect Investors should consult their IDPS operator about what cooling off rights (if any) may apply.

Complaints handling

As an Indirect Investor, your first point of contact for any complaints in relation to an investment in the Fund will be your IDPS operator. You may also access the procedures we have in place to handle any enquiries or complaints. Please refer to 'Complaints resolution' in Section 10 later in this PDS.

8. HOW MANAGED INVESTMENT SCHEMES ARE TAXED



The information contained in the following summary is intended to be of a general nature only and should serve only as a guide to the tax considerations that may arise. The summary applies only to Australian resident investors. Different tax considerations arise for non-resident investors.

WARNING: Investing in managed Funds is likely to have tax consequences. Before investing in the Fund you are strongly advised to seek professional tax advice that takes account of your particular circumstances.

Attribution Managed Investment Trust (AMIT) regime

The Responsible Entity is entitled, under the Constitution to elect the Fund into the Attribution Managed Investment Trust (**AMIT**) regime without member approval, subject to the satisfaction of certain conditions. Accordingly, we determined that the Fund would become an AMIT commencing from 1 July 2017. Some of the key features of the AMIT regime include:

- allocation of taxable income to unitholders based on 'attribution' rather than present entitlement to the 'income' of the trust;
- clarification of the treatment of under and over distributions; and
- CGT cost base reductions and uplifts in unitholdings where taxable income attributed is either less than or greater than the cash distribution for an income year (respectively).

Taxation of the Fund

The Fund should not be subject to Australian income tax, with tax instead being borne by the investors. That is, from a tax perspective, the Fund should be treated as a 'flow-through' entity.

However, where the Fund is in a tax loss position in a particular year, the loss is retained in the Fund and is not distributable to the unitholders. The loss can be carried forward by the Fund and used to offset taxable income in a future year (subject to satisfaction of certain loss integrity tests).

Distributions

Australian resident investors are generally subject to tax on the taxable income from the Fund that is attributed to them by the Responsible Entity. Such attribution must be worked out by the Responsible Entity on a fair and reasonable basis in accordance with the Constitution of the Fund.

The taxable income attributed to an investor will also include amounts of trust income that are reinvested in the relevant Fund. The distributions received may be more or less than the amount of income that is subject to tax.

The way in which investors are taxed will depend on the components of income attributed*. The amounts attributed to an investor could include non-cash items such as tax credits.

Under the AMIT regime, distributions can result in either a reduction or increase in the CGT cost base of an investor's units. Broadly, where the taxable income attributed to an investor is less than the cash distribution, this should result in a reduction to the cost base of the investor's units. Conversely, where the taxable income attributed to an investor is greater than the cash distribution, this should result in an increase to the cost base of the investor's units. A reduction in cost base typically arises where a distribution contains 'tax sheltered income'.

Tax sheltered income will generally arise as a consequence of the distribution of income that is in excess of the Fund's taxable income for the year.

* We will send you an annual tax statement indicating the components of your distribution (and the amounts to which you are attributed for tax purposes) after the end of each Financial Year which may assist you in completing your tax return and/or updating the cost base of your investment for capital gains tax purpose.

Gains on transfer and redemptions of units

It should be noted that, when you calculate the net taxable capital gains in any income year that you must take into account the capital gains and losses from all sources, including those arising on transfer or redemption of units. Individuals and complying superannuation funds may be entitled to the CGT discount concession (50% and 33.33% respectively) where the investment in units is held on capital account and for more than 12 months. You should discuss this calculation with your taxation adviser.

Foreign income

Distributions may include foreign income. If foreign tax is paid on the foreign income derived by the Fund, then you will need to include in your assessable income your share of any foreign income and any related foreign taxes withheld from such income. You may be entitled to claim an offset against your Australian income tax liability in respect of foreign tax paid (up to the amount of Australian tax otherwise payable by you on the net foreign source income included in your taxable income).

Tax File Number (TFN) or Australian Business Number (ABN)

We recommend you provide your TFN/ABN on the Application Form. It is not compulsory for an Australian unitholder to quote their TFN or ABN. However, if a TFN/ABN is not quoted, or an appropriate exemption is not claimed, the Responsible Entity will be required to deduct tax at the highest marginal tax rate (currently 45%) plus the Medicare Levy (2%), totaling 47% from distributions.

By quoting your TFN or ABN you authorise us to apply it to your investment and disclose it to the Australian Tax Office. Collection of TFN or ABN information is authorised, and its use and disclosure is strictly regulated, by the tax laws and under privacy legislation.

Goods and Services Tax (GST)

The issue and redemption of units in the Fund is not subject to GST, however, the Fund may pay GST on the services it acquires. In most circumstances our fees and other services, together with the reimbursement of expenses are subject to GST. Generally, the Fund cannot claim full input tax credits for GST incurred on these services to the extent that the services relate to input taxed supplies but, in certain circumstances the Fund may be entitled to a reduced input tax credit (RITC) of the GST payable on these services. If the GST rate increases, the RITC rate decreases, or RITCs are not available, the Constitution for the Fund allows us to amend the amount recouped out of the Fund accordingly.

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

FATCA was enacted in 2010 by the United States Congress to target non-compliance by US taxpayers using foreign accounts. CRS is a broader OECD led framework for the collection, reporting and exchange of financial account information between revenue authorities across jurisdictions. FATCA and CRS have important implications for financial institutions globally, including an obligation to identify foreign accounts and report information relating to foreign accounts to the foreign tax authorities or, under FATCA, to withhold 30% tax on US connected payments to non-participating foreign financial institutions.

To comply with the FATCA and CRS requirements, the Fund will collect additional information from you and will disclose such information to the Australian Taxation Office. This information may ultimately be shared with revenue authorities in other jurisdictions under the various exchange of information agreements that Australia has entered into with other jurisdictions.

Provided all necessary registrations and information to comply with FATCA is obtained, US withholding tax on US connected payments should not apply to the Fund.

Tax Reform

The comments above are based on the Australian taxation law as at the issue date of the PDS.

It is recommended that unitholders seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

9. MATERIAL CONTRACTS



Constitution

The operation of the Fund is governed under the law and its Constitution which addresses matters such as unit pricing and withdrawals and applications; the issue and transfer of units or classes of units; unit holder meetings; unit holders' rights including unit holders' rights to income of the Fund; the Responsible Entity's powers to invest, borrow and generally manage the Fund and fee entitlement and right to be indemnified from the Fund's assets. The Constitution states that your liability is limited to the amount you paid for your units, but the courts are yet to determine the effectiveness of provisions of this kind.

We may alter a Constitution if we, as the responsible entity, reasonably consider the amendments will not adversely affect investors' rights. Otherwise we must obtain investors' approval at a meeting of investors. We may retire or (if investors vote for our removal) be required to retire as responsible entity. No units may be issued after the 80th anniversary of the date of the Constitution. We may exercise our right to terminate the Fund earlier by written notice to unit holders. Your rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

The Constitution may be viewed between 9am and 5pm, Sydney time, on business days by calling 1300 133 451. We will provide you with a copy free of charge.

The Constitution gives us a number of rights, including a number of discretions relating to unit pricing. You can obtain a copy of our Unit Pricing Discretions Policy, free of charge, by calling 1300 133 451.

Investment management agreement

GSFM Responsible Entity Services has entered into an Investment Management Agreement with Triple Three Partners Pty Ltd. Under the Investment Management Agreement, Triple Three Partners Pty Ltd agrees to provide investment management services with respect to the Fund. The Investment Management Agreement may be terminated by either party in certain circumstances such as if the other party is insolvent, materially breaches the agreement, ceases to hold or be exempt from holding an Australian Financial Services Licence, ceases to hold all other licences necessary to conduct its business, ceases to carry on its business or engages in fraudulent, dishonest, misleading or deceptive conduct in connection with the services provided pursuant to the agreement. Each party agrees to indemnify the other party from any losses and expenses arising from the first party's fraud, negligence or wilful default.

Compliance Plan

In accordance with the requirements of the Corporations Act and Australian Securities and Investments Commission (**ASIC**) policy the Fund has a compliance plan which sets out the measures we will take to ensure we comply with the Corporations Act and the Constitution of the Fund. To oversee compliance with the Compliance Plan we have appointed a Compliance Committee with a majority being external members.

A copy of the Fund's Compliance Plan is available free of charge by calling 1300 133 451.



Additional disclosure information

The Fund has certain regular reporting and continuous disclosure obligations pursuant to the Corporations Act.

All continuous disclosure notices are available on our website at www.gsfm.com.au.

Copies of the following documents can also be obtained free of charge from us, upon request:

- the Fund's most recently lodged Annual Report;
- any Half Year Report lodged with ASIC after the lodgement of the latest Annual Report and before the date of this PDS;
- any continuous disclosure notices given by the Fund after lodgement of the latest Annual Report and before the date of this PDS;
- our Unit Pricing Discretions Policy.

Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) may be obtained from, or inspected at, an ASIC office.

Complaints resolution

We have procedures in place to handle any enquiries or complaints from you as quickly and smoothly as possible. If you have a complaint or enquiry, please call Mainstream Fund Services on 1300 133 451 or email to registry@mainstreamgroup.com.

We will acknowledge your written complaint within 48 hours of receipt, and will generally investigate complaints and aim to address your complaint within 45 days of receipt of the written complaint although some complaints may take significantly longer to deal with. However, if we do not address your complaint within this time or you are not satisfied with our response, you may refer it to the Australian Financial Complaints Authority (AFCA), an external complaints handling service of which we are a member. AFCA is the external dispute resolution scheme for complaints involving financial services and products.

Contact details for AFCA are as follows:

Address: GPO Box 3
Melbourne VIC 3001
Telephone: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

Related party transactions and conflicts of interests

We may appoint any of our related entities to provide services or perform functions in relation to the Fund. Any such services will be provided on terms that would be reasonable if the parties were dealing at arm's length. GSFM Pty Limited (**GSFM**) (ABN 14 125 715 004) is the distributor of the Triple3 Volatility Advantage Fund. GSFM is a related party of GRES and its appointment was made on an arm's length basis.

In the course of managing the Fund we may face conflicts in respect of our duties in relation to the Fund, related funds and our own interests. GRES and Triple Three Partners Pty Ltd have established internal policies and procedures to ensure that any conflicts of interest arising in relation to the Fund are adequately identified and appropriately managed. Any conflicts of interests that may arise will be dealt with fairly and reasonably and in accordance with the law, ASIC policy and GRES's and Triple Three Partners Pty Ltd.'s conflicts of interest policies.

Consents

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

- Triple Three Partners Pty Ltd as investment manager of the Fund;
- J.P. Morgan Chase Bank as custodian and administrator to the Fund;
- Mainstream Fund Services Pty Ltd as unit registry for the Fund;
- PricewaterhouseCoopers as the auditor of the Fund and Compliance Plan; and
- KPMG as tax agent to the Fund.

Each of these persons named above:

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

Direct Debit Request Service Agreement

This information applies if you intend that your initial or additional investments into the Fund are to be paid by direct debit. Please make sure that you provide your bank account details and complete the direct debit request in the relevant sections of the Application Form.

The following is your Direct Debit Service Agreement with **Mainstream Fund Services Pty Ltd ABN 81 118 902 891**. The agreement is designed to explain what your obligations are when undertaking a Direct Debit arrangement with Mainstream Fund Services. It also details what Mainstream Fund Service's obligations are to you as your Direct Debit Provider.

We recommend you keep this agreement in a safe place for future reference. It forms part of the terms and conditions of your Direct Debit Request (DDR) and should be read in conjunction with your DDR form.

Definitions

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

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

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

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

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

direct debit request means the Direct Debit Request between us and you.

us or **we** means **Mainstream Fund Services Pty Ltd**, (the Debit User) you have authorised by signing a Direct Debit Request.

you means the customer who has signed or authorised by other means the Direct Debit Request.

your financial institution means the financial institution nominated by you on the DDR at which the account is maintained.

1. Debiting your account

1.1 By signing a *Direct Debit Request* or by providing us with a valid instruction, you have authorised us to arrange for funds to be debited from *your account*. You should refer to the *Direct Debit Request* and this *agreement* for the terms of the arrangement between us and you.

1.2 We will only arrange for funds to be debited from *your account* as authorised in the *Direct Debit Request*.

or

We will only arrange for funds to be debited from *your account* if we have sent to the address nominated by you in the *Direct Debit Request*, a billing advice which specifies the amount payable by you to us and when it is due.

1.3 If the debit day falls on a day that is not a banking day, we may direct *your financial institution* to debit *your account* on the following banking day. If you are unsure about which day *your account* has or will be debited you should ask *your financial institution*.

1.4 The Direct Debit will be made on receipt of your application. It takes three days for the request to be cleared. Upon confirmation that the funds are cleared we will apply for units in the Fund on your behalf.

We will only arrange for funds to be debited from *your account* as authorised in the *Direct Debit Request*.

2. Amendments by us

2.1 We may vary any details of this *agreement* or a *Direct Debit Request* at any time by giving you at least fourteen (14) days written notice.

3. Amendments by you

3.1 You may change, stop or defer a debit payment, or terminate this agreement by providing us with at least fourteen (14) days notification by writing to:

Unit Registry
Mainstream Fund Services Pty Ltd
GPO BOX 4968
Sydney NSW 2001

or

by telephoning us on **1300 133 451** during business hours;

or

arranging it through your own financial institution.

4. Your obligations

- 4.1 It is *your* responsibility to ensure that there are sufficient clear funds available in *your account* to allow a *debit payment* to be made in accordance with the *Direct Debit Request*.
- 4.2 If there are insufficient clear funds in *your account* to meet a *debit payment*:
- you* may be charged a fee and/or interest by *your financial institution*;
 - you* may also incur fees or charges imposed or incurred by *us*; and
 - you* must arrange for the *debit payment* to be made by another method or arrange for sufficient clear funds to be in *your account* by an agreed time so that we can process the *debit payment*.
- 4.3 *You* should check your *account statement* to verify that the amounts debited from *your account* are correct.
- 4.4 If **Mainstream Fund Services Pty Ltd** is liable to pay goods and services tax ('GST') on a supply made in connection with this *agreement*, then *you* agree to pay **Mainstream Fund Services Pty Ltd** on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

5. Dispute

- 5.1 If *you* believe that there has been an error in debiting *your account*, *you* should notify *us* directly on **1300 133 451** and confirm that notice in writing with *us* as soon as possible so that we can resolve *your* query more quickly. Alternatively *you* can take it up with *your financial institution* direct.
- 5.2 If we conclude as a result of our investigations that *your account* has been incorrectly debited we will respond to *your* query by arranging for *your financial institution* to adjust *your account* (including interest and charges) accordingly. We will also notify *you* in writing of the amount by which *your account* has been adjusted.
- 5.3 If we conclude as a result of our investigations that *your account* has not been incorrectly debited we will respond to *your* query by providing *you* with reasons and any evidence for this finding in writing.

6. Accounts

You should check:

- with *your financial institution* whether direct debiting is available from *your account* as direct debiting is not available on all accounts offered by financial institutions.
- your account* details which *you* have provided to *us* are correct by checking them against a recent *account statement*; and
- with *your financial institution* before completing the *Direct Debit Request* if *you* have any queries about how to complete the *Direct Debit Request*.

7. Confidentiality

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

8. Notice

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

Mainstream Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001

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

Terms used in this PDS

AUD or \$	Australian dollars.
ASIC	Australian Securities and Investments Commission.
Bank Account	Bank Account means an account with an Australian Authorised Approved Deposit Taking Institution (which includes a building society and credit union).
business day	Any day that is not a Saturday, Sunday, public or bank holiday in New South Wales, Australia.
Chicago Board Options Exchange (CBOE)	The CBOE is based in the USA and was established in 1973. It is the largest options exchange in the USA.
Class A units	Units in the Fund issued as Class A units.
Constitution	The constitution deed of the Fund as amended from time to time.
Corporations Act	Corporations Act 2001 (Cth).
Fund	Triple3 Volatility Advantage Fund.
GST	Goods and Services Tax chargeable in accordance with the A New Tax System (Goods and Services Tax) Act 1999 (Cth).
IDPS	Investor Directed Portfolio Service.
Investment Manager, Triple Three Partners Pty Ltd, 'T3P'	Triple Three Partners Pty Ltd the investment manager of the Fund.
Net Asset Value	The Net Asset Value of the Class A units in the Fund or, if specifically stated, the net asset value of the Fund, as determined under the Constitution.
PDS	This product disclosure statement.
Reserve Bank of Australia (RBA) Cash Rate Target	This means the cash rate target calculated and published by The Reserve Bank of Australia from time to time or if that cash rate target ceases to be calculated and published by The Reserve Bank of Australia, any other similar rate calculated and published by The Reserve Bank of Australia that the Responsible Entity reasonably determines is substantially equivalent to the cash rate that it replaces.
Responsible Entity or GSFM Responsible Entity Services	GSFM Responsible Entity Services Limited ABN 48 129 256 104, AFSL 321517 as responsible entity of the Fund.
S&P 500® (SPX)	S&P 500® or the Standard & Poor's 500®, is a stock market index includes 500 of the top companies in leading industries in the USA economy. Focussing on the large capitalisation segment of the market, the S&P 500 covers approximately 80% of available USA market cap, and is one of the most commonly used benchmarks for the overall USA stock market.
unit holder	A person entered on the register of the Fund as a holder of units.
Units	Unless specifically stated, Class A units, being a beneficial interest in the Fund as offered under this PDS.
USD or \$	United States dollars.
VIX Index®	The CBOE Volatility Index® (VIX®) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices.
VXX Exchange Traded Notes	The iPath® S&P 500 VIX Short-Term Futures™ ETN which provide exposure to the S&P 500 VIX Short-Term Futures™ Index Total Return.
'we', 'our', 'us' or 'GRES'	The Responsible Entity of the Fund.

Important investment terms explained

You should read and ensure you understand the following investment terms before you invest in the Fund. You should also seek advice from a qualified financial adviser before investing in the Fund.

Absolute return: Absolute return is a measure of the gain or loss in an investment portfolio expressed without reference to any other measure such as a market index.

Active management: When the manager of a fund or portfolio makes proactive trading decisions in order to maximise returns. Active managers believe they can outperform the market by identifying mispricing through a variety of strategies.

Algorithm: a set of steps that are followed in order to solve a mathematical problem or to complete a computer process.

Alpha: Alpha is the difference between a fund's expected returns based on its beta (which is a measure of its volatility, or systematic risk in comparison to the market as a whole) and its actual returns. Alpha is sometimes interpreted as the value that a portfolio manager adds, above and beyond a relevant index's risk/reward profile.

Bear Market: A market condition in which the prices of securities fall, and widespread pessimism causes the negative sentiment to be self-sustaining.

Call option: An agreement that gives its holder the right, but not the obligation, to buy an underlying asset at a specified price within a specific time period.

Clearing house: A financial institution which provides clearing and settlement of derivatives and securities transactions.

Correlation: Correlation is a statistical measure of how the values of two or more securities or asset classes move in relation to each other in response to changing economic and market conditions.

Delta hedging: This is an options strategy that aims to reduce (hedge) the risk of changes in the value of the underlying asset by an option writer taking a suitable offsetting position in the underlying market.

Derivatives: Generally, derivatives are financial contracts whose values depend on, or are derived from, the value of an underlying asset, reference rate or index, including stocks, bonds, interest rates, currencies or currency exchange rates, commodities, and related indexes. Examples of derivative instruments include options contracts, futures contracts, options on futures contracts and swap agreements.

Draw down: Is a decline in the value of an investment, below its all-time high.

Exchange Traded derivative: An exchange traded derivative is a standardised contract that is traded through an authorised exchange and then booked with a central party known as a clearing house.

Negative correlation: Negative correlation is the relationship between two variables; for example the values of two asset classes, in which the value of one asset class increases as the value of the other asset class decreases, and vice versa.

Option: A contract that gives the owner the right but not the obligation, to buy or sell a particular asset, such as options on the CBOE Volatility Index at a fixed price (strike price - which is the price at which the owner of the option can purchase (call) or sell (put) the underlying asset) for a specific period of time (until expiration when the option and the right to exercise cease to exist). The contract also obligates the writer to meet the terms of delivery if the owner exercises the contract right.

Put option: An agreement that gives its holder the right, but not the obligation, to sell an underlying asset at a specified price within a specific time period.

Risk free rate: The risk-free rate, or as it is sometimes known, the risk-free interest rate, is the yield on high quality government bonds. For many investors the US Treasury yield is the risk-free benchmark against which other assets can be measured.

Risk Premium: the difference between the expected return on a security and the risk-free rate.

Volatility: A statistical measure of the dispersion of returns for a given security or market index. In other words, volatility refers to the amount of uncertainty or risk about the size of changes in a security's value. A higher volatility means that a security's value can potentially be spread out over a larger range of values. This means that the price of the security can change dramatically over a short time period in either direction. A lower volatility means that a security's value does not fluctuate dramatically, but changes in value at a steady pace over a period of time.



Responsible Entity

GSFM Responsible Entity Services Limited
Level 19
Governor Macquarie Tower
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