

HFA Diversified Investments Fund



ARSN 093 497 468
Product Disclosure Statement
28 February 2008
HFA Asset Management Limited
ABN 25 082 852 364 > AFS Licence 246747

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HFA
asset management

Important Notices

This PDS is dated 28 February 2008.

Responsible Entity

HFA Asset Management Limited ('HFA') ABN 25 082 852 364 (Australian Financial Services Licence 246747) is the responsible entity ('Responsible Entity') of the HFA Diversified Investments Fund ARSN 093 497 468 ('Fund').

Important Information

An investment made under this Product Disclosure Statement ('PDS') represents an investment in the Fund.

Potential investors in the Fund should read this PDS in its entirety before deciding to participate in the Fund. Applications for Units in the Fund can only be submitted on an original Application Form attached to, or forming part of this PDS, or an electronic copy of the Application Form accessible at www.hfaam.com.au.

Units in the Fund are issued by HFA.

Disclaimer

An investment in the Fund is an investment in a registered managed investment scheme. An investment in the Fund is not a bank deposit, bank security or other bank liability. It is subject to investment risk, including the possibility of delays in payment of withdrawal proceeds in some circumstances, or the loss of income or capital.

None of HFA or its related bodies corporates nor any of their respective directors or officers guarantee the repayment of capital from the Fund or the investment performance of the Fund.

Investments in the Fund are not guaranteed or underwritten by HFA, its related bodies corporate, any of their respective directors or officers, or the Custodian.

Representations

No person is authorised by HFA to give any information or to make any representation in connection with the offer of Units in the Fund that is not contained in this PDS or in Updated Information provided by HFA. Any information or representation not so contained cannot be relied upon as having been authorised by HFA.

Updated information

This PDS has been prepared as at 28 February 2008. Where information which is not materially adverse to investors changes, updated information will be made available on our website at www.hfaam.com.au ('Updated Information'). If you require a paper copy of any Updated Information please contact HFA on 1300 30 90 92 and it will be provided without charge upon request.

While this PDS and any Updated Information, are up to date at the time of preparation, changes may be made to the Fund from time to time in accordance with the Constitution and the Corporations Act.

This is not investment advice. You should seek your own financial advice.

This PDS does not take into account the investment objectives, financial situation or particular needs of investors. It is important that you read the entire PDS, any Updated Information and any supplementary PDS in full before making any decision to invest in the Fund. In particular, in considering the prospects of the Fund, it is important that you consider the risk factors that could affect the financial performance of the Fund. You should carefully consider these factors in light of your particular investment needs, objectives and financial circumstances (including financial and taxation issues) and seek professional advice from your own professional advisers before deciding to invest. Some of the risk factors that should be considered are set out in the Risks section on page 13.

Offering restriction

The offer to which this PDS relates is only available to persons receiving the PDS (whether in print or electronic form) within Australia and is not being made, directly or indirectly, in any other jurisdiction in which the offer would constitute a violation of the relevant laws or require registration of the PDS or any other document.

Indirect investment through Portfolio Service

HFA authorises the use of this PDS by investors investing in the Fund indirectly through Portfolio Services such as investor directed portfolio services, wrap accounts or master trusts, where HFA has an agreement with the Portfolio Service operator.

For Indirect Investors, the Portfolio Service operator will be the registered holder of Units and HFA will only send statements and notices to the Portfolio Service operator. Indirect Investors should look at the PDS or guide for the relevant Portfolio Service.

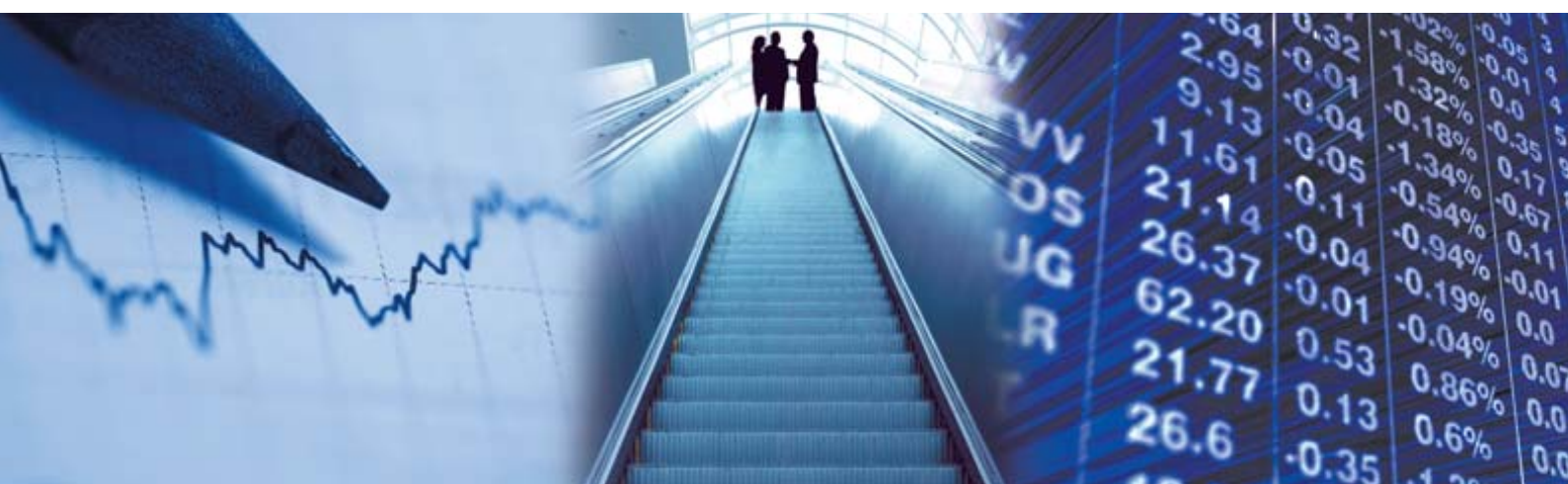
Integrity of content of the PDS

The PDS is available in electronic format, including on the internet at www.hfaam.com.au. While HFA believes it is unlikely that the electronic version of the PDS will be tampered with or altered in any way, HFA cannot give any absolute assurance that this will not occur. Any investor in doubt concerning the validity or integrity of an electronic copy of the PDS should immediately request a paper copy of the PDS directly from HFA.

Defined terms and Glossary

Defined terms used in this PDS are explained in Section 11: Defined Terms and Glossary at the end of the PDS. Unless otherwise specified, all references in this PDS to '\$' are references to Australian dollars.

If you're looking to diversify the investment risk of your portfolio away from traditional asset management...



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Section 01: A Snapshot of the Fund

Section 1 summarises some important information about the Fund. Other important information is contained in this PDS, which you should read in full before deciding whether to invest.

What does the Fund do?

Feature	Description	Reference
Investment objectives	The Fund firstly aims to achieve consistent absolute returns with a low probability of loss over the investment horizon (3-5 years). The Fund then aims to have a low beta and correlation with traditional share, credit and fixed interest investments, delivering relatively high returns with lower volatility than shares.	Page 8
Current investment portfolio	The Fund invests in a range of funds which are diversified across 50 specialist managers, 7 specialist strategies and various geographical segments. The aggregation of specialist strategies aims to have a low correlation with traditional share, credit and fixed interest investments and deliver relatively higher risk-adjusted returns than shares.	Page 8
Benefits	By investing in the Fund, investors can access the following benefits: <ul style="list-style-type: none"> • the potential to generate positive returns irrespective of the direction of traditional share and bond markets; • a multi-manager investment exposure, providing access to a diverse portfolio of investment managers and investment strategies; and • access to a select few of the proven international fund managers not widely available to the Australian investing public. The Fund is an absolute return fund. Absolute return funds can have attractive diversification properties, particularly in volatile equity and bond market conditions, because they generally exhibit a low correlation with traditional asset classes.	Page 12
Risks	Investors should be aware that many risk factors could affect the performance of the Fund. These risk factors are mainly beyond the control of HFA and may not be capable of being foreseen or accurately predicted.	Page 13

What rules apply to making an investment?

	Retail	Wholesale	
Minimum initial investment	\$5,000	\$500,000*	Page 24
Minimum additional investment	\$1,000	\$20,000*	Page 24
Minimum to participate in savings plan	\$250 per month	N/A	Page 22
Income distribution and reinvestment	Semi-annually for the periods ending 31 December and 30 June each year, where income is available. Where distributions are paid, you can elect to either have your distributions automatically reinvested or distributed.		Page 22
Redemptions	Monthly on 30 days notice before month end, with at least a further month for processing.		Page 21
Cooling-off	A cooling-off period of 14 days may apply to your investment.	N/A	Page 28

What are the fees and costs of the Fund?

	Retail	Wholesale	
Contribution fee	Up to 4%, however this fee is negotiable with your financial adviser.	Nil	Page 15
Management costs	3.60%pa	3.34%pa	Page 16
Financial adviser services fee	Up to 1% p.a. of your total investment in the Fund, negotiated with your financial adviser and deducted from your distribution payments.	Nil	Page 16

All fees disclosed include the net effect of GST, except for the financial adviser service fee which is inclusive of GST. For information about other fees and costs see pages 15 to 19.

* Subject to HFA's discretion.

Who should invest?

An investment in the Fund may suit you if you:

- are seeking a focus on risk-adjusted return with lower levels of volatility than traditional share fund investments;
- are seeking the potential for greater consistency of positive monthly returns than traditional share fund investments;
- want to diversify your personal investment portfolio by adding an investment with relatively low correlation to equity, credit and fixed interest markets;
- have a medium term (3-5 years) investment horizon; and
- are comfortable that you can only withdraw your investment on a monthly basis after providing 30 calendar days notice and that it will usually take at least a further month to process your withdrawal (due to the nature of the underlying investments).

The Fund may not be suitable for you if you are seeking:

- access to your funds at short notice;
- regular and consistent income distributions; or
- distributions of tax-concessional capital gains.

This does not take into account your personal financial objectives, situation or needs. We recommend that you read this Product Disclosure Statement closely and consult your financial adviser when deciding if the Fund is appropriate for your investment needs.

Who should I contact if I have any questions about the Fund?

HFA Investor Services
Phone: **1300 30 90 92**
Email: **contact@hfaam.com.au**
Website: **www.hfaam.com.au**

Or your financial adviser.

Section 02: Overview of Absolute Return Funds

The Fund is an absolute return fund which is managed and follows an investment approach explained in Section 4: About the Fund.

What are absolute return funds and how do they compare to traditional funds?

The absolute return fund industry is a collection of investment funds which employ different investment strategies to those employed by traditional investment funds and utilise a broad range of underlying securities.

Absolute return funds aim to deliver positive returns in rising markets as well as preserving capital in falling markets. Consequently, the performance of an absolute return fund is typically benchmarked against delivering a positive return in all market conditions.

In comparison, the performance of a traditionally managed fund is typically benchmarked against an index such as the S&P/ASX 200 Index (for an Australian Equities managed fund), and the objective is to outperform that benchmark. This means that in rising markets, these traditionally managed funds aim to deliver a higher return than the benchmark index. However, in falling markets, they aim to restrict loss to less than the negative return of the benchmark index. Such a traditionally managed fund can achieve its investment objective even though it has delivered a negative return (loss) to its investors.

Absolute return funds are related to the broader funds management and hedge fund industry and can be categorised by their investment strategy. There are a variety of investment strategies and within each strategy there are many variations. The common element among these strategies is the use of investment and risk management skills. Importantly, absolute return funds differ from the broader hedge fund industry in that they place strong emphasis on the disciplined use of investment and risk control processes and, as a result, can generate returns that have both a low volatility and a low correlation with traditional equity and fixed income benchmarks.

Relative to traditionally managed funds, absolute return funds target:

- a) more investment specific returns and investment specific risks; and
- b) less market risk, market relative returns and market correlation.

Market risk is the risk inherent in any given market as a whole. For example, the Australian share market. Investment specific risk is risk which relates only to a particular investment. For example, a specific company or fund.

Relative to other hedge funds, absolute return funds:

- a) tend to measure and control risk over much shorter time horizons; and
- b) are less tolerant of losses.

As a result they tend to have a low correlation with traditional asset classes such as shares or bonds because they do not increase or decrease in value at the same time, and to the same extent, as traditional asset classes. The incorporation of absolute return funds into an investment portfolio may offer investors the opportunity to improve their portfolio's risk adjusted returns.

Section 03: About HFA Asset Management

Who is HFA?

HFA Asset Management Limited ('HFA') is the responsible entity of the Fund. HFA is a wholly owned subsidiary of HFA Holdings Limited ACN 101 585 737 which is listed on the Australian Securities Exchange.

HFA was established in 1998 and is the responsible entity of a number of absolute return funds. HFA holds an Australian Financial Services Licence (number 246747), and has approximately \$4 billion in assets under management as at the date of this PDS. HFA has approximately 40 staff located in offices in Sydney, Melbourne and Brisbane and sales staff located in Perth and Hobart.

Through Lighthouse Investment Partners LLC ('LHP'), a related party of HFA and investment adviser of HFA's international funds, HFA funds have access to specialist investment and financial market analysts located in New York, Chicago, Florida, London and Hong Kong. Having

access to specialist resources located around the USA and in the United Kingdom and Asia is a significant advantage when it comes to monitoring and accessing specialist international alternative investment strategies and managers.

How is the Fund managed?

HFA has an experienced team involved in the day-to-day management of the Fund with extensive experience both in Australian and international investment markets.

The HFA Research and Investments team undertakes investment management and analysis activities for the Fund. This entails investment market analysis, investment adviser and underlying fund due diligence and monitoring, portfolio construction and risk management.

The four key processes of investment management are:

Risk Management & Monitoring

Monitoring the investment activities of the Fund including compliance with the Fund's investment strategy and risk parameters, as well as **on-going assessment** of the performance of appointed investment advisers or managers at appropriate intervals.

Establishing the Strategy

The Fund's investment objective is established and from there the investment strategy is set to best meet this objective. The **investment strategy forms the framework** for constructing the portfolio and selecting the investment manager and/or underlying funds.

The Fund's investment strategy is reviewed regularly to ensure it continues to be appropriate in meeting the Fund's overall investment objective.

Portfolio Construction

The Fund's **portfolio is constructed** to comply with its investment strategy, and its investment and asset allocations are determined with the aim of maximising performance whilst managing the risk and volatility of returns.

Due Diligence

When selecting an investment adviser, or where the investment adviser selects an underlying fund, HFA ensures extensive **due diligence** is conducted, covering:

- investment strategy success and sustainability;
- investment process effectiveness and flexibility;
- investment risk management controls;
- operational risk management controls;
- investment team experience and reputation in absolute return investing.

The Research and Investments team is overseen by the Investment Strategy Committee ('ISC'), which is responsible for the establishment, approval, review and quality of investment processes and decisions for HFA funds.

Section 04: About the Fund

The Investment Objective

The Fund firstly aims to achieve consistent absolute returns with a low probability of loss over the investment horizon. The Fund then aims to have a low beta and correlation with traditional stock, credit and fixed interest investments, delivering relatively high returns with lower volatility than shares.

Risk Profile

Low - Moderate

Investment Horizon

3-5 years

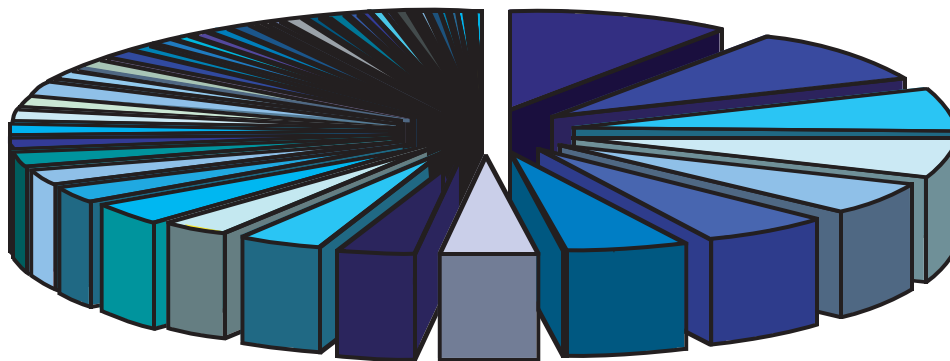
The Investment Strategy

The Fund actively manages a diversified portfolio of specialist managed funds with low correlation to traditional markets that offer both diversification and a focus on risk management. In seeking to deliver the target return, a significant concern of HFA and LHP is managing the volatility and maximum expected loss for each of the funds. In this way, the total return is achieved through a focus on risk management.

Asset Allocation

The Fund offers investment exposure to a range of funds which are diversified across 7 specialist strategies and various geographical segments through over 50 underlying managers.

Diversification through underlying managers (as at 31 December 2007)



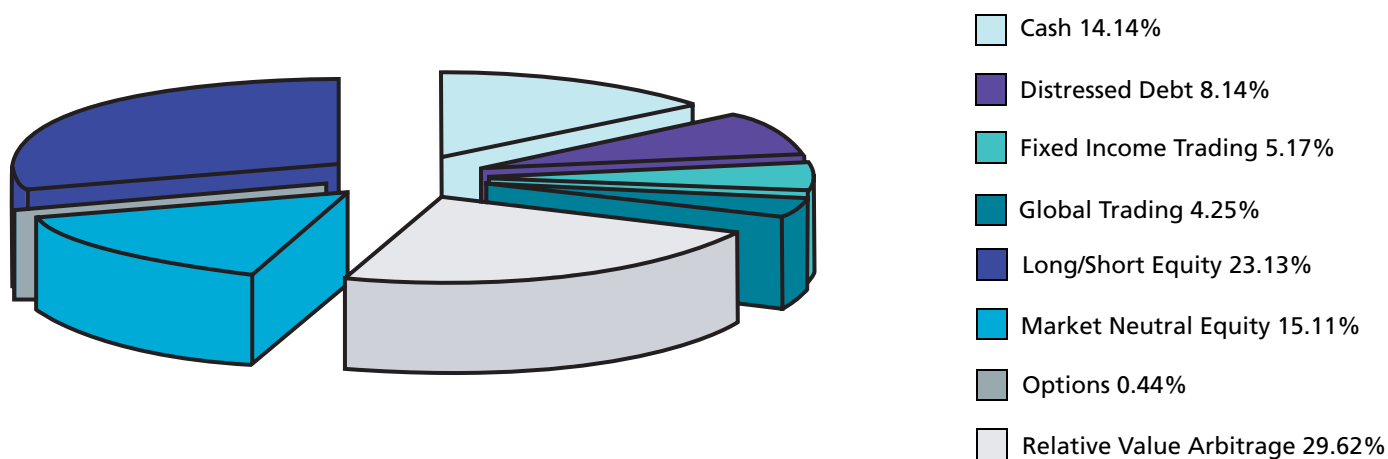
The Fund offers international diversification across more than 50 core underlying managers to which the Fund has investment exposure.

Largest single manager exposure	10%
Exposure to top 3	25%
Exposure to top 5	37%
Exposure to top 10	59%

Section 04: About the Fund cont'd

Diversification through investment strategies (as at 31 December 2007)

The Fund offers diversification across over 7 underlying investment strategies.



The above chart shows the types of investment strategies used by the Underlying Funds. There may be a number of variations within each type of investment strategy. Explanations of the types of investment strategies referred to above are provided in Section 11: Defined Terms and Glossary at page 33.

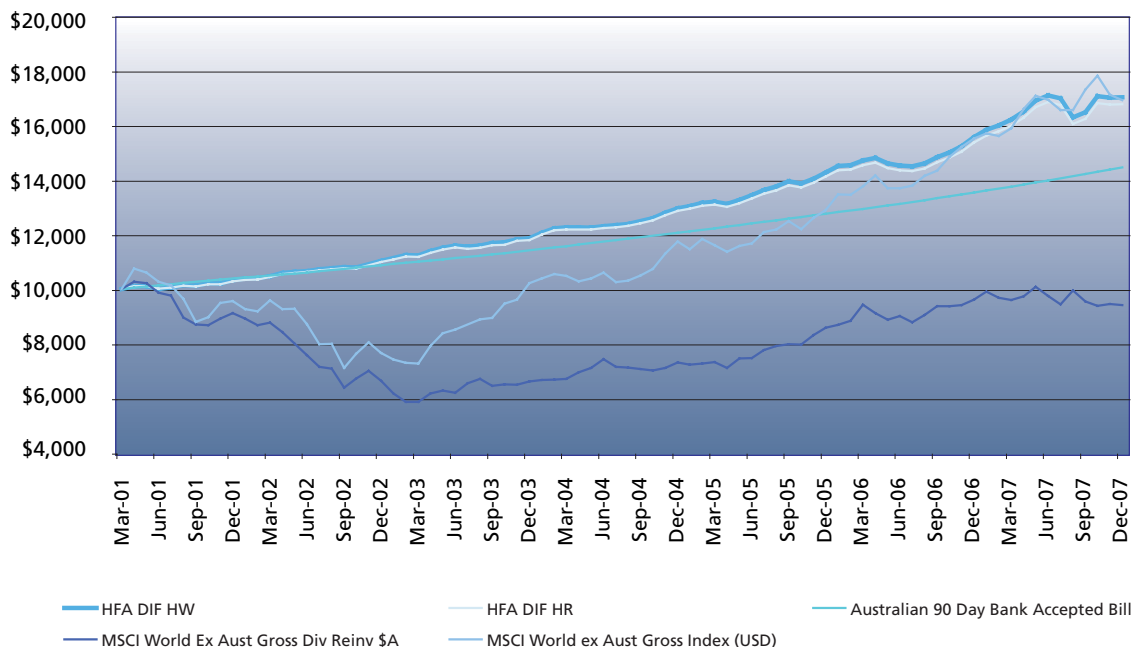
The degree of diversification and relative allocation between underlying managers and investment strategies will change over time. Details of recent allocations are updated monthly on our website www.hfam.com.au.

Section 04: About the Fund cont'd

Growth of Investment (as at 31 December 2007)

The Fund has been available to Australian investors since March 2001. The following graph illustrates the growth of an initial investment of \$10,000 in March 2001 to 31 December 2007 in retail and wholesale hedged units.

Value of \$10,000 invested



Important Information

The Fund performance information in this graph assumes reinvestment of all distributions and is net of all ongoing fees, but takes no account of any contribution fee or financial adviser service fee or an individual investor's tax position. Please refer to the investment performance table below for more information about the recent investment performance of the retail and wholesale hedged unit classes in the Fund.

Past performance is not a reliable indicator of future performance.

The graph also shows the following Indexes, which represent historical investment returns over the same period for various asset classes different to those invested in by the Fund. The Fund and the asset classes represented by the Indexes are not directly comparable investments and the risks associated with each investment type may differ greatly.

The **Australian 90 Day Bank Accepted Bill Index** is a measure of short term Australian interest rates for bank accepted bills of exchange.

The **MSCI World Ex Australia Gross Div Reinv \$A** is the Morgan Stanley Capital International Gross Dividend Reinvested Index AUD, excluding Australia, which is a free float-adjusted market capitalisation weighted index that is designed to measure the equity market performance of developed markets.

The **MSCI World ex Aust Gross Index (USD)** is the Morgan Stanley Capital International Gross Dividend Reinvested Index USD, excluding Australia, which is a free float-adjusted market capitalisation weighted index that is designed to measure the equity market performance of developed markets.

Investment Performance (as at 31/12/07)

Return	Retail-Hedged (HR)	Wholesale-Hedged (HW)
3 months	3.31%	3.34%
6 months	-0.50%	-0.44%
1 year	9.19%	9.38%
2 year p.a.	9.01%	9.24%
3 year p.a.	9.26%	9.52%
4 year p.a.	9.20%	9.46%
5 year p.a.	8.83%	9.07%

Important Information

The investment performances described above assume that all distributions have been reinvested and are net of all ongoing fees but take no account of any contribution fee or financial adviser service fee or an individual investor's tax position.

Past performance is not a reliable indicator of future performance.

For more information on the Fund's hedging arrangements refer to page 11.

Section 04: About the Fund cont'd

Other investment features

What is the structure of the Fund?

Investors acquire units in the Fund, which is an Australian unlisted registered managed investment scheme. The Fund's assets are held by an Australian based custodian ('Custodian'). The Custodian, on behalf of the Fund and at HFA's direction, invests the assets of the Fund.

How does the Fund make its investments?

The Fund invests an apportionment of assets in funds-of-funds managed by the investment adviser, LHP, which then makes investments consistent with the Fund's investment objective and strategy.

The Fund may also invest directly in other Underlying Funds, including other funds-of-funds. Underlying Funds may be operated or managed by HFA or LHP or have investment exposure to funds managed by HFA or LHP.

The Fund does not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of the investments of the Fund.

Authorised Investments

The Constitution of the Fund authorises HFA to invest generally in investments, which include domestic and international securities, managed investments, cash and derivatives, or cash related instruments. The Underlying Funds with which the Fund invests have the ability to invest long and short in a broad range of securities and derivatives including domestic and global shares, bonds, mortgage backed securities, options, swaps, futures, warrants, index linked securities, cash, currencies, commodities, managed investments and other instruments. The Fund and Underlying Funds may borrow or lend securities both internally and externally.

Borrowing and Leverage

The Fund may borrow for administrative purposes and to facilitate foreign exchange hedging positions if the Fund's short term cash position is not sufficient.

The Fund itself does not generally use borrowings or other forms of leverage for investment purposes but it may invest through special purpose HFA funds which use leverage to gain increased exposure to the Underlying Funds. The Fund's target gearing ratio for leverage from special purpose HFA funds is 50%. A gearing ratio of 50% is equivalent to borrowings of \$50 for every \$100 of investor funds in the Fund. Risks involved with leverage are outlined in Section 6.

The Underlying Funds may use borrowings, derivatives or other forms of leverage to gain or increase investment exposure to particular investments or to manage risks associated with investment exposures. The leverage used by an Underlying Fund is taken into account in the investment selection process and is in addition to leverage from special purpose HFA funds.

Foreign exchange hedging

The Fund has hedged and unhedged unit classes. Only hedged unit classes are currently offered.

The hedged unit classes will be substantially hedged with respect to foreign currency exposure, while the unhedged unit classes will not be hedged. Substantially hedged means that the Fund's hedged unit classes will attempt not to benefit or be disadvantaged by any significant movement in the Fund's direct foreign exchange exposure.

The aim is for the Fund's hedged units to earn their investment return from the Fund's direct investments rather than from the combination of those investments and movements in foreign exchange pricing. In an operations sense the Fund on a monthly basis will evaluate its direct foreign exchange exposure for assets held outside Australia and undertake transactions that will minimise the impact of any substantial movement in foreign exchange rates on the value of the Fund's assets apportioned to the hedged unit classes on offer. The cost of hedging is an expense of the relevant unit class in the Fund.

The Fund's hedging strategy for its hedged unit class is to hedge the currency in which the Fund holds its direct investments or assets. The Fund's direct investments are generally denominated in US dollars, but may be denominated in other currencies.

The funds in which the Fund invests and the Underlying Funds to which the Fund has investment exposure may be hedged or unhedged with respect to foreign currency exposure relating to their investments.

Changes to Fund

There may be changes from time to time to the way that the Fund is managed, including the investment objective and strategy. HFA will notify investors of any material change to the investment objective or strategy. HFA may add or remove investment advisers and Underlying Funds at any time without notice to investors.

Section 05: The Benefits to Unitholders

Absolute Return Potential

The Fund has the potential to generate positive returns irrespective of the direction of traditional share and bond markets. The Underlying Funds and specialist managers have demonstrated their ability to deliver positive returns or preserve capital when traditional markets have generated losses.

Reduced Risks

Indexes of absolute return funds and some hedge funds tend to display risk adjusted performance superior to, and volatility lower than, traditional active managers and passive benchmarks. Similarly, the volatility of absolute return indices is typically much lower than that of traditional fund indices and equity benchmarks. Please note that past performance is not a reliable indicator of future performance.

Multi-Manager Approach

The Fund is designed to have a multi-manager investment exposure. By exposure to a number of underlying absolute return funds, Unitholders gain access to a diverse portfolio of investment managers and investment strategies. This multi-manager approach combines complementary investment funds, the expertise of experienced investment advisers, and a portfolio of managers with specific risk and return objectives.

Access to Restricted Investment Funds

Through the Fund you have the ability to access a select few of the proven international fund managers not widely available to the Australian investing public. The Fund offers you the ability to access these opportunities while benefiting from local management, compliance, administration and investor support.

Diversification

The Fund is an absolute return fund. Absolute return funds can have attractive diversification properties, particularly in volatile equity and bond market conditions, because they generally exhibit a low correlation to traditional asset classes.

Currency Management

For hedged Unit classes, HFA minimises the risk associated with foreign currency movements by hedging its direct foreign currency exposure. The Fund's hedging arrangements for this currency exposure are discussed on page 11.

Investment Specialists

HFA uses experienced investment advisers to construct and manage investment portfolios which target specific investment returns and reduced risk exposures.

Low Minimum Investments

The Fund offers a low minimum investment level for Retail Investors of \$5,000 (for Retail Units).

Alignment of Interests

To assist in aligning the interests of HFA with those of Unitholders in the Fund, a component of HFA's fee structure for the Fund is based on the increase in the Fund's Net Asset Value.

Regular Savings Plan

The Fund incorporates a regular savings plan enabling Retail Unitholders to add to their initial investment at regular intervals.

Distribution Reinvestment Plan

All Unitholders in the Fund can request HFA to automatically reinvest distributions back into the Fund.

Switching Facility

Unitholders can switch all or part of their investment to another HFA fund or another available class of Unit within the Fund.

Section 06: The Risks of Investing

Almost any investment involves some risk as investments can decline as well as increase in value.

The Fund invests in a range of assets and instruments including professionally managed absolute return funds that utilise varying investment strategies, which are heavily dependent on the skill of the manager of each Underlying Fund in managing that fund. The Fund may also use derivatives and other forms of leverage that could potentially increase the quantum of the gains or the losses from investments undertaken. Most of the Underlying Funds are based outside of Australia and some may be domiciled in regions where government supervision and investor protection are less regulated than in Australia.

Although the Fund invests with underlying managers, funds or fund-of-funds with demonstrable track records, historical investment performance is no guarantee of future investment performance.

The principal risks to which investors are exposed via their investment in the Fund include:

Market Risk ~ the risk that markets move in a direction or a manner not foreseen or predicted. This may affect the Fund as the Underlying Funds may be correlated with certain market drivers to some extent.

Foreign Exchange Risks ~ investments in foreign securities involve the risk of currency fluctuations between the Australian dollar and the currency in which the investment is made. The Fund invests in U.S. dollar denominated securities and may invest in assets in other denominations. Fluctuations in the exchange rate between foreign currencies and the Australian dollar are unpredictable and can have significant impact on the return on investment to each investor. The Fund's hedged units are substantially hedged as explained on page 11. Separately, LHP and individual underlying funds may invest in assets denominated in other currencies and may adopt hedging strategies to a greater or lesser extent according to their investment policies.

Debt and Leverage ~ such techniques increase the opportunity for a higher return on investment, but can also increase the risk and extent of losses. The Fund invests through special purpose HFA funds which utilise leverage to gain an increased exposure to the Underlying Funds. The Underlying Funds may also use leverage. For example, through borrowings or derivatives. Leverage is explained on page 32.

Liquidity Risk ~ the risk that the underlying securities cannot at short notice be easily converted into cash to realise underlying investment positions or to redeem the Fund's investments. The Underlying Funds may invest in non-marketable and/or illiquid investments which could be difficult or impossible to sell at short notice, or at desired prices. Some of the Underlying Funds may only permit redemption on a quarterly, semi-annual or annual basis, and may have an extended minimum investment term. These factors may result in reduced liquidity for the Fund.

Related Position Risk ~ a number of the managers of the Underlying Funds could independently accumulate positions in the same security at the same time, which could then be difficult or impossible to sell at short notice or at desired prices, resulting in concentrated exposure and reduced diversification for the Fund.

Counterparty Risk ~ the risk that contractual obligations between the Fund and other parties are not fulfilled or are not enforceable.

Regulatory Risk ~ the risk that domestic and international laws or regulations are changed adversely or that regulatory supervision of transactions and reporting is performed by regulators, managers and their custodians at less than an appropriate standard. The risk of Unitholder liability is explained in Section 10: Additional Information.

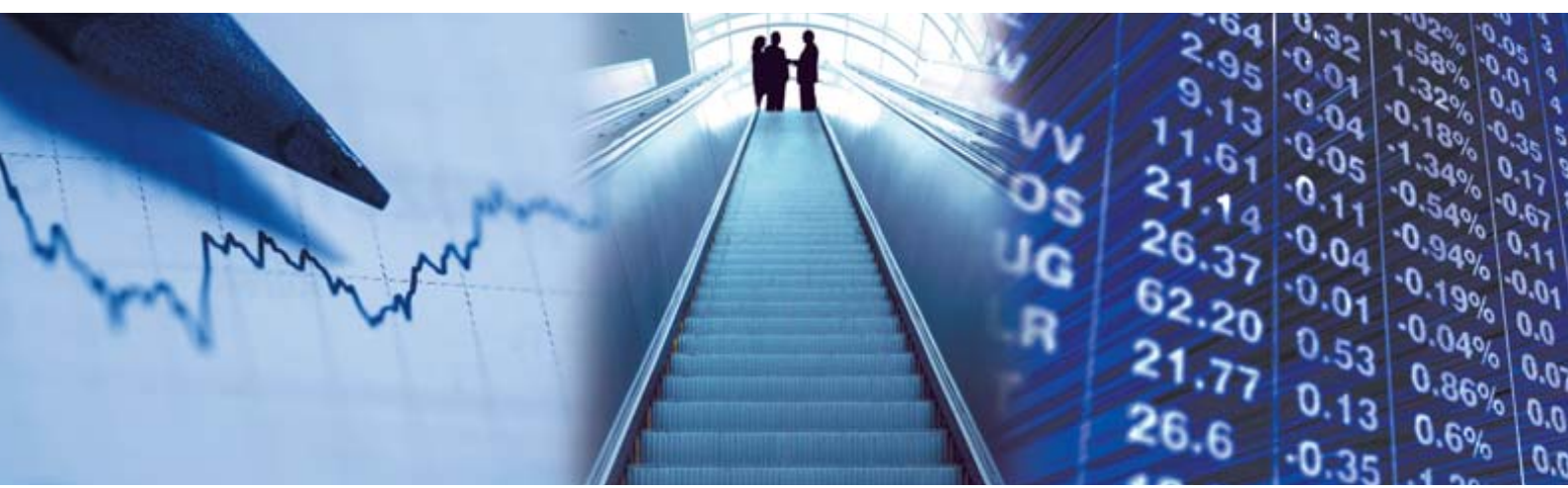
Compliance Risk ~ an extension of regulatory risk whereby reports are fraudulent, compliance has not been enforced or investment guidelines are breached. This risk is managed by regularly reviewing and closely monitoring the managers of the Underlying Funds as part of the investment process.

Key Person Risk ~ the risk that key individuals are no longer able to fulfill their obligations within the investment and administration process. The returns of the Underlying Funds and the Fund may be dependent on the management skill of a particular individual or team.

Systems Risk ~ the risk that certain Underlying Funds rely heavily on computer generated trading models to make investment decisions and may experience systems outage for a period of time.

Business Risk ~ the risk that managers of the Underlying Funds may not manage their business commitments satisfactorily.

Section 7: Fees and Other Costs



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Section 07: Fees and Other Costs

DID YOU KNOW?

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

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

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

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

TO FIND OUT MORE

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

Fees and other costs

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

An overview of the taxation implications is contained in Section 9 of this PDS.

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

Indirect Investors must also refer to the fees and costs payable for the Portfolio Service they are investing through. The Portfolio Service operator will be the registered holder of Units and may charge you fees that are different or in addition to the Fund's fees detailed in this Section. You should refer to the PDS, guide or other offer document for the relevant Portfolio Service.

Amounts shown in the table below are inclusive of GST and net of expected reduced input tax credits.

TYPE OF FEE OR COST	AMOUNT		HOW AND WHEN PAID
	RETAIL UNITS	WHOLESALE UNITS	
Fees when your money moves in or out of the Fund			
<i>Establishment Fee</i> The fee to set up investment.	Nil	Nil	Not applicable
<i>Contribution Fee</i> This is the fee on each amount you contribute to your investment.	Up to 4%	Nil	The amount of this fee is negotiated between you and your nominated financial adviser and is paid by HFA directly to your financial adviser. Refer to 'Adviser Remuneration' below We will deduct the applicable contribution fee from your initial investment & any additional investments, when your application is accepted. The contribution fee does not apply to investments made under the distribution reinvestment plan.
<i>Withdrawal Fee</i> This is the fee on each amount you redeem out of your investment.	Nil	Nil	Not applicable

Section 07: Fees and Other Costs cont'd

TYPE OF FEE OR COST	AMOUNT		HOW AND WHEN PAID
	RETAIL UNITS	WHOLESALE UNITS	
<i>Termination Fee</i> The fee charged to close your investment.	Nil	Nil	Not applicable
Management Costs¹ The fees and costs for managing your investment			
<i>Management Costs</i> The fees and costs for managing your investment.	3.59% p.a.	3.34% p.a.	The total estimated Management Cost is your total ongoing fee including an estimated Performance Fee, expressed as a percentage of the total average net assets of the Fund. The Management Costs are reflected in the unit price and are payable monthly or as incurred by the Fund.
Service fees			
<i>Investment Switching Fee</i> This is the fee charged by the Fund when you switch between HFA funds.	Nil	Nil	Not applicable
<i>Financial Adviser Service Fee</i> The fee charged by your financial adviser for advice sought about your investment.	Up to 1% p.a.	Nil	The amount of this fee is negotiated between you and your nominated financial adviser and is paid by HFA directly to your financial adviser. Refer to 'Adviser Remuneration' below. The fee is calculated based on the value of your total investment and will be deducted from your semi-annual distribution.

¹ The amounts shown are necessarily estimates only of Management Costs. Actual amounts will differ from this estimate.

Example of annual fees and costs for Retail Units (Hedged)

The following table gives an example of how the fees and costs applicable to Retail Units (Hedged) in the Fund can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

EXAMPLE - Retail Units (Hedged)		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution Fee	0 - 4%	For every additional \$5,000 you put in, you will be charged between \$0 and \$200. The amount of any Contribution Fee depends on your negotiation with your financial adviser.
PLUS Management Costs	3.60%	And , for every \$50,000 you have in the Fund you will be charged \$1,800 each year. The Management Costs estimate consists of a Management Fee of \$770, an estimated Performance Fee of \$400 (assuming an 8%p.a. Fund performance), administration costs of \$35 and Underlying Funds Costs \$595.
EQUALS Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 at the end of that year, you would be charged fees from \$1,800 to \$2,000*. What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.

* Additional fees may apply. **Establishment fee** - NIL as not applicable AND, if you leave the Fund early, a **withdrawal fee** - NIL is currently waived.

Please note that this is just an example. In practice, your investment balance will vary, as will related Management Costs. The above example does not include all fees and costs that may apply to your investment, such as Financial Adviser Service Fees (if any) and incidental fees.

Section 07: Fees and Other Costs cont'd

Additional explanation of fees and costs

Fees for Indirect Investors

Indirect Investors must also refer to the fees and costs payable for the Portfolio Service they are investing through. The Portfolio Service operator will be the registered holder of Units and may charge you fees that are different or in addition to the Fund's fees detailed in this Section. You should refer to the PDS, guide or other offer document for the relevant Portfolio Service.

Management Costs

Management Costs include Management Fees, estimated Performance Fees (if applicable), investment expenses, custody fees and fund operating costs. Management Costs are deducted from the performance of the Fund (ie they are not charged directly to your account). They do not include contribution fees or additional service fees.

A breakdown of the Management Costs is as follows:

TYPE OF FEE OR COST	AMOUNT		HOW AND WHEN PAID
	RETAIL UNITS	WHOLESALE UNITS	
<p><i>Management Fee</i> Payable to HFA for the provision of investment management and administration services to the Fund.</p>	1.54% p.a.	1.28% p.a.	This fee is calculated on the Net Asset Value of each class of units and is reflected in the monthly unit price. It is paid monthly from the assets of the Fund in arrears.
<p><i>Performance Fee</i> Payable to HFA for managing the Fund's investment according to the Fund's performance.</p>	Estimated at 0.80% p.a. assuming a rate of return of 8% p.a. (after Management Fees)	Estimated at 0.80% p.a. assuming a rate of return of 8% p.a. (after management fees)	<p>The performance fee is 10.25% of the increases in the Net Asset Value of each class of units from month to month subject to a High Water Mark limitation.</p> <p>The performance fee is reflected in the monthly unit prices, and is paid semi-annually from the assets of the Fund in arrears.</p>
<p><i>Administration Costs</i> The fees and costs of operating the Fund. They include Custodian and registry fees and other expenses including administration, audit and legal expenses.</p>	0.07% p.a.	0.07% p.a.	Fees and costs are payable from the Fund's assets as incurred.
<p><i>Underlying Funds Costs</i> Costs of Underlying Funds in which the Fund invests.</p>	1.19% p.a.	1.19% p.a.	These costs are reflected in the value of the investment in the Underlying Funds.

Management Fees

The Management Fees is a fee payable under the Constitution for the management of the Fund. The Management Fee is calculated monthly and is reflected in the monthly Unit prices. It is paid from the assets of the Fund monthly in arrears.

Performance Fees

In addition to the Management Fee, a Performance Fee may also be payable from the Fund. The Performance Fee is 10.25% of the increase in the Net Asset Value of each class of Units from month to month. Once a Performance Fee has been accrued for the unit class, no further Performance Fee can be accrued unless the unit class NAV increases above its previous high. If the NAV of the unit class falls below a previous high, no further Performance Fee can be accrued until

Section 07: Fees and Other Costs cont'd

Performance Fees cont'd

the loss has been fully recovered. This is called the High Water Mark restriction. The NAV applicable to each class of Unit for the purpose of calculating the Performance Fee is adjusted to reflect any increase in NAV resulting from new subscriptions and reduced to reflect distributions and redemptions. The Performance Fee is accrued and payable for each half year based on the aggregate of monthly balances.

The High Water Mark is carried forward to each new performance period.

The Performance Fee amounts shown in the fee table and example are based on an assumed rate of return of 8% pa (after Management Fees). Unitholders should be aware that the amount of the Performance Fee will vary depending on the actual monthly investment performance and the impact of the High Water Mark on calculating and accruing Performance Fees each month. While the amounts shown are provided as an estimate of Performance Fees, they reflect an assumed rate of return, for the purposes of the example. The assumed rate is not an indication of future performance.

Administration costs

Under the Constitution, HFA is entitled as responsible entity to be reimbursed out of the assets of the Fund for establishment and administrative expenses (including custody fees, unit registry expenses and audit and legal expenses) and operating costs (including costs associated with the promotion, marketing and distribution of the Fund) and all other losses, damages, costs, charges, fees, expenses and taxes in connection with the proper performance of the administration of the Fund. This applies in addition to HFA's other rights of indemnity under law.

HFA as responsible entity is not entitled to, and cannot be indemnified or reimbursed out of the assets of the Fund in respect of remuneration payable to its employees or expenses incurred in the internal administration of its business.

Underlying Funds Costs

The Fund invests in Underlying Funds, including other funds-of-funds. See Section 4 for more information about the Underlying Funds.

The Underlying Funds Costs estimate in the fee table and example above represents the Management Costs, including Performance Fees, of Underlying Funds in which HFA directly invests, or which are operated or managed by HFA or LHP. The estimate is based on actual amounts known to HFA for the 12 months to 30 June 2007 or an historical estimate provided by the Underlying Fund, divided by the average Net Asset Value during that 12

month period. These costs are not paid directly by the Fund, but are reflected in the value of the investment in the Underlying Fund.

The Underlying Funds may be operated or managed by HFA or LHP.

The Management Costs estimate in the fee table and example above does not include fees and expenses charged by the managers of Underlying Funds in which LHP invests. The Management Costs of LHP's underlying managers vary considerably from manager to manager and over any particular period. HFA does not have sufficient information to determine a reasonable estimate of those costs. An underlying manager's fees are generally anywhere up to 2% of net asset value as annual base fees and up to 25% of periodic increases in NAV as performance fees. The Underlying Funds' management costs are reflected in the value of the Fund's investments.

Investment Adviser Fees

Fees paid to LHP as investment adviser and to any other investment advisers appointed by HFA as responsible entity to advise on, construct and manage fund investment portfolios, are paid by HFA and are not an additional cost to the Fund.

Adviser Remuneration

Financial Adviser Service Fee and Distribution deduction facility

Many financial advisers charge a professional fee for services provided to their clients. If you have been given financial product advice about investing in the Fund by a licensed financial adviser, we have developed a facility that allows for fees for that advice to be paid to your financial adviser as a deduction from your distribution entitlement from the Fund on a recurrent or once only basis.

You can negotiate directly with your financial adviser regarding the percentage of your investment (calculated at the time of the deduction) to be paid to the adviser out of your future distributions from the Fund. The Application Form permits a deduction of up to 1% p.a. of your investment balance in the Fund. The Financial Adviser Service Fee is calculated and paid at the end of each distribution period. If you earn insufficient distributions to pay the Financial Adviser Service Fee or you redeem prior to the end of the distribution period, then your adviser will not receive the Financial Adviser Service Fee for that distribution period.

The Financial Adviser Service Fee is not included in Management Costs in the above fee table.

Section 07: Fees and Charges cont'd

Payment from Contribution Fee

The Contribution Fee is paid by HFA to your financial adviser for providing you with advice about your investment.

You may be able to negotiate a lower Contribution Fee with your financial adviser. The Contribution Fee is paid by HFA to your financial adviser and is negotiable directly with your financial adviser.

Investments in Retail Units other than through a financial adviser attract the full Contribution Fee of 4%, which is retained by HFA.

Investment Switching Costs

You may choose to invest in a different HFA fund by obtaining a current PDS for the other HFA fund and completing a switch form. See page 23 for more information about switches.

The switch form is a request to redeem Units in the Fund and invest in another HFA fund. This PDS explains the fees and costs that will apply when your Units in the Fund are redeemed. However, you will need to read the PDS of the other HFA fund to find out the fees and costs of investing in it.

If you are switching into the Fund from another HFA fund, the Contribution Fee will not apply.

Incidental Fees

HFA may charge fees where provided for under the Corporations Act. For example, a \$10 fee to provide a copy of the Constitution.

Changes to Fees and other Costs

HFA reserves the right to change fees and other costs without the investor's consent, but subject to any limitations under the Constitution and applicable law. HFA will give 30 days notice prior to making a unilateral fee change.

The Constitution provides for the following fees that are not currently charged:

- (a) Withdrawal Fee (referred to in the Constitution as 'Redemption Fee') – up to 3% of the redemption price otherwise payable to the investor on redemption.

The Constitution also permits a "Buy/Sell spread" for the Fund based on the transaction costs involved in acquiring

or disposing of Fund assets. No Buy or Sell spread currently applies to the Fund.

Some fees currently charged are less than the maximums permitted under the Constitution. The following are the maximums for those fees under the Constitution:

- (a) Contribution Fee (referred to in the Constitution as 'Entry Fee') - up to 5% of the application payment for Units;
- (b) Management Fee - up to 4% per annum of the Net Asset Value of the class of Units; and
- (c) Performance Fee – up to 20% of the increase in the Net Asset Value of the class of Units above any benchmark return determined by HFA from time to time.

Goods and Services Tax (GST)

The fees and costs outlined in the fee table and example above are GST inclusive amounts, net of any expected reduced input tax credits.

If, for any reason, the Fund is not eligible to receive an input tax credit from the ATO for expenses incurred by HFA, the additional GST cost will be incurred out of the Fund's assets.

Other taxes

For taxation information relating to the Fund, see Section 9: Taxation on page 25.

Section 08: Details on how to Invest

Investing

You may invest in the Fund as either a direct investor or an Indirect Investor.

You may invest as a direct investor by completing the Application Form attached to or forming part of this PDS.

If you are investing in the Fund through a Portfolio Service, such as a master trust, wrap account or investor directed portfolio service, you will be an Indirect Investor. As an Indirect Investor, you should read the disclosure document for that Portfolio Service together with this PDS prior to investing. When you invest in the Fund through a Portfolio Service, you do not become a direct Unitholder in the Fund. The Portfolio Service operator is the Unitholder and acts as an intermediary between you and the Fund.

The information in this PDS relates to direct investors in the Fund. The disclosure document for the Portfolio Service will contain important information that outlines who may invest, minimum balances, additional investments, processing applications and the applicable fees for investing in the Portfolio Service.

Indirect Investors should note that Portfolio Service operators may not be subject to the same rights and requirements for maintaining investment balances or making additional investments or withdrawals that apply to direct investors and are described throughout this PDS.

Classes of Units

There are three classes of Units that investors can subscribe for:

Unit Class	Nature of Unit Class
HR	hedged retail
HW	hedged wholesale
HI	hedged institutional

The “HR” class units are offered in accordance with the conditions outlined in the ‘Retail’ column of the table on page 24.

The “HW” class units are offered in accordance with the conditions outlined in the ‘Wholesale’ column of the table on page 24.

The “HR” and “HW” class units are hedged against foreign exchange movements in the valuation of overseas investments made by the Fund.

Foreign exchange hedging is explained on page 11.

The “HI” class units are only available to institutional investors that qualify as professional and/or sophisticated investors as determined by HFA. The units are hedged against foreign exchange movements in the valuation of overseas investments made by the Fund.

The fees and terms of issue for “HI” class units may be individually negotiated by HFA with Institutional Investors.

Different fees apply to Units in each class.

The Fund has previously issued separate classes of unhedged units. Some unhedged units remain on issue, but further unhedged units are not presently offered.

Section 08: Details on how to Invest cont'd

Subscriptions

Subscriptions to the Fund can only be made via the Application Form attached to, or forming part of, this PDS. Minimum initial subscription and minimum subsequent increments apply and are set out on page 24.

The minimum initial investment in the Fund for Wholesale Units is \$500,000 or such other amount determined by HFA. The minimum investment in the Fund for additional Wholesale Units is \$20,000 or such other amount as determined by HFA.

Prospective investors wishing to subscribe for less than \$500,000 worth of Wholesale Units or existing Wholesale Unitholders wishing to subscribe for less than \$20,000 worth of additional Wholesale Units should contact HFA prior to making an application.

HFA may accept or decline an initial investment for less than \$500,000 worth of Wholesale Units or an additional investment for less than \$20,000 worth of Wholesale Units at its discretion.

Please note that the minimum subscription, minimum additional subscription increment and minimum residual holding for Wholesale Units in the Fund will vary if you are an Indirect Investor investing via a Portfolio Service. Applications can be made on any Brisbane business day when there is a current PDS.

Units will be issued on the basis of the subscribed amount, less any Contribution Fee, divided by the issue price for the selected unit class applicable on the Subscription Day. Applications must be received by 4:00pm (Brisbane time) at least three full Brisbane business days before the relevant Subscription Day.

The issue price for a particular unit class is that portion of the total NAV of the Fund which has been apportioned to that particular unit class, divided by the number of Units on issue in that class.

The Subscription Day is currently the last business day of the month. Subscription money received prior to the Subscription Day will be held by the Custodian, with any interest earned (before processing of the application on the Subscription Day) payable to the Fund in the next period for the benefit of the Fund. If an application is declined, subscription money will be returned to the applicant without interest.

A statement confirming receipt of your application will be posted within 3 days of receipt. The Fund does not issue unit certificates, but if your application is accepted, a unit statement detailing your holdings will generally be issued

within one month after allotment of the Units on the Subscription Day. The number of Units issued will be rounded to 3 decimal places. You can add to your existing investment at any time by completing another Application Form, or if applicable through a regular savings plan or distribution reinvestment plan.

Redemptions

Redemption requests must be made on either a redemption form, or by writing to us and providing details on the number of Units to be redeemed or the dollar value required, the investor number, Fund name and unit class, and the name in which the investment is held. You can obtain a redemption form by calling **1300 30 90 92** or visiting our website at: **www.hfaam.com.au**.

Redemption requests can be sent by facsimile to:

1300 365 601

or by mail to:

**National Australia Bank Limited
Registry Services
PO Box 1406
Melbourne VIC 3001**

If sending a redemption request by facsimile, the terms and conditions outlined on page 23 apply.

You can apply to redeem all or part of your Unitholding at any time. Restrictions on minimum withdrawals and minimum residual holdings in the Fund apply. If you are a Retail Unitholder and your residual holding of Retail Units would fall below the minimum, then the balance of your Unitholding may be processed by HFA as a full redemption. Except where Wholesale Units have been issued via a Portfolio Service, if a holding in Wholesale Units falls below the minimum residual holding then the fees applicable to those Units will revert to those of Retail Units.

The redemption process and the redemption Unit price valuation described in this PDS assume that the Fund remains 'liquid' within the meaning of the Corporations Act. Where the Fund is illiquid, Units will only be redeemed in accordance with the process provided for in the Corporations Act. HFA believes that the Fund will remain liquid under normal market conditions. HFA is not obliged to pay any part of the Unit redemption price for the Fund out of its own funds.

Redemption applications will only be processed on a Redemption Day for the Fund. Redemption applications for the Fund must be received by 4:00pm (Brisbane time) on a Brisbane business day that is at least 30 calendar days before the relevant Redemption Day. The Redemption Day is currently the last business day of the month.

Section 08: Details on how to Invest cont'd

Redemption payments will usually be processed within one month after a Redemption Day. You are likely to receive your proceeds within 3 business days (after processing) if deposited by direct credit to your nominated bank account or 5 business days if posted by cheque. We will then post an updated statement.

This means that it will usually take up to 65 days before you receive your withdrawal proceeds.

Net Asset Value (NAV) and Unit Pricing

The NAV of the Fund is determined by calculating the value of all assets of the Fund less all liabilities and distributions which are payable but have not been paid.

The Unit price for a class of Units is the NAV for that Unit class divided by the total number of Units on issue in that class. Unit prices will be published on our website, www.hfaam.com.au or can be obtained by phone on 1300 30 90 92.

The Unit price for all classes of Units in the Fund will be determined as of the last business day of each month. Because HFA is reliant on receiving prices from the managers of the Underlying Funds, which may be based in the USA or other foreign countries, finalisation of the month end Unit prices may take up to 20 business days.

HFA Unit Pricing Policy

HFA's unit pricing policy is available on request, without charge and can be obtained by contacting us by email contact@hfaam.com.au or by phone on 1300 30 90 92.

Distributions

HFA may declare distributions at the end of a Distribution Period as specified on page 5. The Fund usually pays distributions to investors within 30 business days after the end of each Distribution Period. You can elect to either have your distributions automatically reinvested or distributed. If you do not select either option then distributions will be automatically reinvested.

The amount of income you receive is calculated according to the number of Units you hold as a proportion of the total number of Units on issue as at the end of the Distribution Period. This means that the redemption price and subscription price will fall by an amount equal to the distribution per Unit as a result of the Fund making a distribution. Where you have selected to pay a fee to your financial adviser as described on page 18 we will pay them automatically from your distributions.

Please refer to Section 9: Taxation for taxation information on distributions.

Distribution Reinvestment Plan

The price paid for the Units under the distribution reinvestment plan will be at the relevant subscription price on the same day distributions are declared. A revised Unit statement will be provided in conjunction with notice of the distribution declared. You can elect to terminate or participate in the distribution reinvestment plan at any time by simply notifying us in writing. Entry fees are waived for Units subscribed for under the distribution reinvestment plan.

Direct Debit of Initial Application Amount

By selecting this option on the Application Form and completing the Direct Debit Request (DDR) Service Agreement, your initial application amount will be debited from your nominated bank account to the Fund on the 25th day of the month for purchase of Units on the next Subscription Day.

Regular Savings Plan

After making an initial investment, Retail Unitholders may build on their investment by participating in the regular savings plan. Retail Unitholders can select a monthly or quarterly regular savings plan option. A minimum of \$250 per month applies (\$750 per quarter). Payment of subscription money for Units subscribed for via the regular savings plan occurs on the 25th calendar day of the month in which it is due. Units will then be issued on the next Subscription Day at the prevailing issue price. These will appear on your next statement. Participation in the regular savings plan can be postponed or cancelled at any time by notifying us in writing.

Retail Unitholders who participate in the regular savings plan:

- a) will be provided with ongoing information such as any updated PDS along with certain other information issued by HFA;
- b) are advised to keep each PDS and any information that updates the PDS for future reference. A copy of the current PDS is available from HFA free of charge to any Unitholder that requests a copy; and
- c) are also entitled to receive periodic transaction statements and additional transaction statements on request.

Direct Credit

By providing us with your bank account details we can deposit the proceeds of distributions and redemptions into your account. This allows distributions and redemptions to be processed more quickly.

Section 08: Details on how to Invest cont'd

Switching and Redemptions

You may switch all or part of your investment from the Fund to another HFA fund. Minimum redemption and subscription notice periods apply. Switching your investments from one HFA fund to another is regarded as making a withdrawal from one HFA fund and making an application to another HFA fund.

You may also apply to switch all or part of your investment between unit classes in the Fund. A request to switch to another Unit class must be received at least 3 full business days before the relevant Redemption Day.

The following terms and conditions apply for faxed switches and withdrawals:

- if a Unitholder wishes to use the faxed switch or redemption facility, simply send us a fax to **1300 365 601**. By sending us a fax you signify acceptance of these terms and conditions;
- if the switch or redemption is not faxed to **1300 365 601** the request may not be processed;
- redemption amounts are only able to be paid to a bank, building society or credit union account previously nominated by the Unitholder in writing or by cheque payable to the Unitholder and mailed to the address provided by the Unitholder to HFA;
- we may refuse to process a faxed switch or redemption request under the Constitution of the Fund;
- HFA may cancel this arrangement or vary these terms and conditions at any time after giving Unitholders written notice;
- if we comply with a faxed switch or redemption request made or purported to be made in accordance with these terms and conditions, then payment will be in satisfaction of all obligations of HFA and neither the Unitholder nor any other person will have any claim against the Fund or the Custodian even where the Unitholder had no knowledge of, or did not authorise, a transaction in relation to their investment; and
- Unitholders release, discharge and agree to indemnify HFA and the Custodian for all losses, liabilities, actions, proceedings, accounts, claims and demands in respect of any liabilities arising from HFA processing in good faith a faxed switch or redemption request.

A switch or redemption form is available from HFA's Client Service Team. Current Fund information and the PDS is available on our website: www.hfaam.com.au or by phoning **1300 30 90 92**.

Transfers

You can transfer Units in the Fund to another person with the prior consent of HFA. To transfer your Units you must:

- a) deliver to HFA a transfer notice in the form approved by HFA. The transfer must be executed by the transferor and transferee and, if necessary, stamped to indicate that stamp duty has been paid;
- b) deliver to HFA any other document required by HFA or any law; and
- c) pay any relevant costs and disbursements.

The register is held by the registrar in Melbourne. Any stamp duty relating to a transfer of Units is determined by the law of Victoria.

Section 08: Details on how to Invest cont'd

	HFA Diversified Investments Fund	
	Retail (HR)	Wholesale (HW)
Foreign exchange exposure	hedged	hedged
Applications	Applications can be made every business day	Applications can be made every business day
Minimum initial subscription	\$5,000	\$500,000*
Minimum increments	\$1,000	\$20,000*
Minimum contributions/month (regular savings plan)	\$250	N/A
Distributions	half yearly	half yearly
Redemption Frequency	monthly	monthly
Minimum redemptions (Units)	2,500	20,000
Minimum residual holdings (Units)	2,500	500,000
Withdrawal notice period (days before month end)	30 full calendar days	30 full calendar days
Withdrawal notice period (days before month end) when switching between unit classes within the Fund	3 full business days	3 full business days
High Water Mark (HWM)	HWM	HWM

The financial year ends 30 June.

* The minimum initial investment in the Fund for Wholesale Units is \$500,000 or such other amount determined by HFA. The minimum investment in the Fund for additional Wholesale Units is \$20,000 or such other amount determined by HFA.

Prospective investors wishing to subscribe for less than \$500,000 worth of Wholesale Units or existing Wholesale Unitholders wishing to subscribe for less than \$20,000 worth of additional Wholesale Units should contact HFA prior to making an application.

HFA may accept or decline an initial investment for less than \$500,000 worth of Wholesale Units or an additional investment for less than \$20,000 worth of Wholesale Units at its discretion.

Section 9: Taxation

Seek Your Own Advice

Australian tax laws are complex and are subject to constant change. The views in this PDS are based on law current as at the date of this PDS. The taxation comments in this section are general in nature by necessity. They do not, for example, apply to non-residents investors or investors who carry on a business of trading in Units. Tax liabilities are the responsibility of each investor and HFA is not responsible for taxation or penalties incurred by investors.

We recommend that you seek your own professional advice regarding the taxation implications associated with investing in the Fund.

Tax for Australian Investors

As Investors will be presently entitled to the net income of the Fund, it is expected that the Fund will not pay tax on its taxable net income.

Will I be taxed on distributions received from the Fund?

You will be required to include your share of the taxable income of the Fund to which you are presently entitled each year in your assessable income. You must:

- include all distributions of net income, whether received in cash or reinvested, except to the extent that a portion of the distribution constitutes tax-deferred or CGT concession income; and
- include the assessable income in the year to which the distribution relates (i.e. the year in which the Fund derives the income, not when it is physically received by you).

How much tax you pay in relation to your distributions from the Fund will depend on:

- Your personal tax position;
- Your marginal tax rate; and
- The types of income comprised in the distribution.

HFA will send you all the information you need in order for you to complete your tax return.

The types of income distributed are derived from the various investments held by the Fund. It is likely that a significant proportion of the taxable income of the Fund will consist of income gains.

A large proportion of the Fund's investments will be foreign domiciled, and may be interests in a Foreign Investment Fund (FIF) for Australian tax purposes. This may result in taxable income arising in the Fund in relation to certain FIFs before the gains are realised. HFA intends to minimise this via the disposal of some or all of the investments held by the Fund prior to the end of each tax year.

The Fund cannot distribute any tax losses incurred by it in an income year. The benefit of any such tax losses is not lost but may be offset by the Fund against its assessable income in a subsequent year provided certain tests are satisfied.

How will I be taxed if I dispose of units in the Fund?*

When you redeem, switch or transfer Units in the Fund, Capital Gains Tax (CGT) will generally apply. A capital gain will arise where your proceeds on disposal of the Units exceeds your CGT cost base of the Units. In the event you realise a capital loss on disposal of your Units, you may be able to use the capital loss to offset capital gains you have derived from other sources, in either current or future years.

If you have held your Units for more than twelve months or more at the time you dispose of them, depending on what type of investor you are, the capital gain you derive will potentially be reduced by up to 50%:

- If you are an individual or a trust you may be entitled to claim 50% CGT discount.
- If you are a complying Superannuation Fund you may be entitled to claim a 33 $\frac{1}{3}$ % CGT discount.
- If you are a company you are not eligible for the CGT discount, and will be required to include the full amount of the capital gain in your assessable income.

In the event that the fund distributes tax deferred income or returns of capital to you, you will need to reduce the CGT cost base of your Units. This is important, as it will affect the calculation of your CGT gain or loss that you make when disposing of your Units in the future. Should the cost base of your Units be reduced to 'nil', any further non-taxable distributions you receive after that time will be assessable as a capital gain.

What if I borrow to acquire units in the Fund?

If you borrow in order to invest in the Fund, you may incur interest expenses and other costs associated with the borrowing. These interest costs are generally tax deductible where they are incurred for the purpose of deriving assessable income from the Fund.

If you have used the borrowing to invest in the Fund for the purpose of capital growth only, then the interest costs would not be outright deductible. Instead, the interest costs would form part of the cost base of your units in the Fund. Given that the tax treatment of interest costs will depend on your personal investment objectives and circumstances, we recommend that you obtain professional advice on the appropriate tax treatment of any borrowing costs you incur.

Section 9: Taxation

Taxation of Financial Arrangements

Proposed amendments to the taxation law dealing with the Taxation of Financial Arrangements have previously been announced. It is important to note that no draft legislation is currently before Parliament and therefore the details of the proposed amendments may be subject to change prior to being enacted as law. HFA will seek further tax advice in relation to this issue once any new legislation has been enacted.

Goods and Services Tax ("GST")

The issue and redemption of Units in the Fund will not be subject to GST. GST is not payable in respect of a transfer of Units in the Fund. However, GST may be incurred on services that you acquire in relation to the acquisition, disposal or redemption of Units (such as legal or accounting advice). You should seek advice about whether you are entitled to claim input tax credits in respect of GST on those costs.

Fees and costs charged for management of the Fund by HFA will be inclusive of GST at 10%. Other fees (including custodian fees) may also be subject to GST. The Fund may be entitled to recover input tax credits or Reduced Input Tax Credits (RITCs) on these services.

The Fund may be entitled to input tax credits or RITC's on other costs related to acquiring or selling investments or administration of the Fund.

GST is not payable on distributions made to you.

Pay As You Go ("PAYG") Withholding

The collection of your Tax File Number ('TFN') is authorised and its use is strictly regulated by law, and you need to quote your TFN or claim an exemption on the application form attached to this PDS. If you don't quote your TFN or claim an exemption, HFA is required to deduct tax at the highest marginal rate, plus the Medicare levy (currently 46.5%) from your distributions.

If you are a business taxpayer you may provide us with an ABN instead of a TFN.

* The application of CGT is affected by whether you hold your Units on revenue account (as distinct from if you hold your Units on capital account). The taxation comments in this section do not apply to taxpayers who hold their investment in the Fund on revenue account.

Section 10: Additional Information

The Constitution

The Constitution of the Fund establishes the Fund and governs your rights and obligations as a Unitholder. Unitholders of the Fund are bound by the provisions of the Constitution. The Constitution and the Corporations Act regulate the operations of the Fund and set out the rights and liabilities of Unitholders and the responsibilities and duties of HFA, as responsible entity.

HFA may amend the Constitution of the Fund, as provided for in the Constitution and the Corporations Act. However, HFA cannot amend the Constitution of the Fund without the consent of Unitholders who hold 75% of those Units voted in favour of the amendment (at a meeting convened in accordance with the Constitution for the Fund and the Corporations Act) unless HFA reasonably believes the amendment will not adversely affect the rights of Unitholders.

The Fund will terminate 2 days before the 80th anniversary of its commencement, or if a meeting of Unitholders resolves by extraordinary resolution (ie. 50% of the total votes that may be cast by Unitholders entitled to vote) to terminate the Fund, or if HFA determines to terminate the Fund and provides three months notice.

HFA is required to keep a register which contains the name and contact details of Unitholders. Unitholders whose contact details change should notify HFA.

The Constitution of the Fund sets out the procedure for meetings which may be called by HFA or by Unitholders in accordance with the Corporations Act. HFA may retire or be removed by Unitholders in accordance with the Corporations Act.

Unitholders may view a copy of the Constitution of the Fund at our Brisbane office during business hours. A copy of the Constitution of the Fund may be obtained by written request to HFA or by searching ASIC records.

The Compliance Plan, Compliance Committee & Custodian

HFA has prepared and lodged with ASIC a compliance plan for the Fund. The compliance plan sets out the procedures used by HFA to comply with the Corporations Act, this PDS and the Constitution of the Fund. This includes procedures for ensuring that:

- a) all assets of the Fund are identified as assets of the Fund;
- b) the assets of the Fund are valued at appropriate regular intervals; and
- c) adequate records of the Fund's operations are kept.

Each year, HFA's adherence with the compliance plan is audited by an external compliance plan auditor and the audit report is lodged with ASIC.

KPMG is the auditor of the compliance plan for the Fund. The auditor must notify ASIC in writing if the auditor has reasonable grounds to suspect that a contravention of the Corporations Act has occurred and believes that the contravention has not been or will not be adequately dealt with.

A compliance committee has been established by HFA. The role of the compliance committee includes, among other things:

- a) monitoring compliance by HFA with the compliance plan;
- b) reporting any breaches of the Corporations Act or Constitution to HFA; and
- c) reporting to ASIC, if the compliance committee takes the view that HFA has not taken, or does not propose to take, appropriate action to deal with breaches reported to HFA.

National Australia Bank Limited ('NAB') is the appointed Custodian of the assets of the Fund. ASIC has established minimum standards that a custodian of the property of registered managed investment schemes must meet. The Custodian's role is explained on page 30.

Unitholders' Liability

The Constitution of the Fund seeks to limit the liability of Unitholders by providing that a Unitholder is not personally obliged to make any further contributions to the Fund, or to indemnify HFA, or any creditor of either or both of them, if there is a deficiency in the assets of the Fund. However, because this is a matter which can only ultimately be determined by the courts, no assurance or guarantee that Unitholders' liability will be limited in all circumstances is given by HFA.

Disclosing Entity

As a disclosing entity, the Fund is subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office.

You have a right to obtain various financial reports and continuous disclosure notices lodged with ASIC for the Fund.

Section 10: Additional Information cont'd

Fund Borrowing

HFA is permitted to borrow for administrative purposes and to facilitate foreign exchange hedging positions if the Fund's short term cash position is not sufficient. The underlying absolute return fund managers, hedge fund managers and investment managers may borrow for investment purposes.

Cooling Off Period

If you are classified by the Corporations Act as investing in the Fund as a retail client, a 14 day cooling off period applies during which you may change your mind about your subscription for Units and request return of your money in writing. Generally, the cooling off period runs for 14 days from the earlier of the time your subscription is confirmed, or the end of the fifth business day after your Units are issued.

The amount that will be returned to you will be the market value of your investment at the time of withdrawal. We will refund your investment, reduced or increased for market movements and adjusted for expenses, applicable taxes and transaction costs. Your Contribution Fee will be returned and exit fees do not apply. Please note that our normal processing rules apply.

A cooling-off period is not applicable to Units issued under switching, a regular savings plan or a distribution reinvestment plan, or where rights are exercised in relation to your Units during the cooling off period.

Investors investing through a Portfolio Service should refer to the agreement with their Portfolio Service for their policy on cooling off, as cooling off rights may not be applicable to Indirect Investors.

Reporting

Confirmation of Subscription/Redemption/Switch
Unitholders will receive a letter confirming each investment in, switch within or withdrawal from the Fund (excluding those via the regular savings plan).

Transaction Statement

Once the monthly Unit price has been determined, a statement is sent to Unitholders who have made an investment, switch or withdrawal during the relevant month.

Distribution Report

Unitholders in the Fund will receive, every six months, a distribution report detailing the amount of distributions paid if applicable.

Tax Statement

Tax statements are sent to Unitholders in the Fund detailing the income and tax information relevant to their Unitholding after the end of June each year, together with a statement showing the value of their Unitholding.

Performance Update

Performance reports are updated monthly and are available by contacting HFA on **1300 30 90 92**.

Performance reports for all Unit classes are also available from our website at www.hfaam.com.au.

Annual Financial Report

An annual financial report detailing the financial position of the Fund is sent or made available to Unitholders by 30 September each year.

Indirect Investors

If you are an Indirect Investor you will not receive statements or reports directly from HFA, but you may receive them from the Portfolio Service through which you have invested.

Updated information

This PDS is current as at 28 February 2008. Where information which is not materially adverse to investors changes Updated Information will be made available on our website at www.hfaam.com.au. If you require a paper copy of any Updated Information please contact HFA on **1300 30 90 92** and it will be provided without charge on request.

While this PDS and any Updated Information, are up to date at the time of preparation, changes may be made to the Fund from time to time.

Changes to Fund

Subject to the requirements of the Constitution of the Fund or Corporations Act, HFA may from time to time make changes to the features of the Fund and the way the Fund is managed. Material changes will be notified on HFA's website or by other notice to Unitholders.

Section 10: Additional Information cont'd

Privacy Statement

This privacy statement applies to personal information you may provide to HFA.

Generally you have no obligation to provide HFA with personal information, however if you choose to withhold requested information we may not be able to provide you with products and services that depend on the collection of that information.

Protecting the privacy of our customers is a key part of our normal operations.

We take measures to protect personal information we collect from unauthorised access, loss, misuse, disclosure or alteration. We also take measures to destroy personal information when it is no longer required. The steps we take to protect your information vary depending on the type of information, how it is collected and how it is stored.

HFA will endeavour to keep your personal details up to date and complete. To the extent we are required to do so under the Privacy Act 1988, we will provide you with access to your personal information. Should you wish to access or amend such details please contact HFA on **1300 30 90 92**. For most requests for access, information will be provided free of charge, but we may charge a reasonable fee if your request is unusual and requires a substantial effort on our part.

Generally HFA will only use or disclose your personal information in conjunction with the provision and administration of the product or service you have requested and for the general monitoring and evaluation of the product or service. For example, we provide personal information to the provider of the Fund's administration and unit registry services, to your bank to process your direct debit and other transaction requests, to bulk mailing service providers and to other similar parties who provide outsourced functions to HFA.

Complaints

If you have a complaint about any aspect of your investment in the Fund, please write to us at:

The Complaints Officer
HFA Asset Management Limited
GPO Box 1616
Brisbane QLD 4001

Alternatively you can phone us on:
1300 30 90 92

We are a member of and participate in the Financial Industry Complaints Service Ltd (FICS), an independent complaints resolution organisation. If you feel your complaint has not been satisfactorily resolved you are entitled to make a written complaint to FICS at the following address:

Financial Industry Complaints Service Ltd
PO Box 579
Collins St West
Melbourne Vic 8007
Telephone 1300 780 808
Fax (03) 9261 2291

Material Contracts

HFA has entered into a number of agreements which are relevant to the Fund.

HFA Distribution Arrangements

HFA has the power to enter into arrangements with service providers which can include financial planners, dealers and Portfolio Service operators. These arrangements may involve HFA making payments and providing services to service providers in return for the promotion of the Fund. Such monetary payments may be one-off payments or on-going based on a percentage of funds under management. These payments are paid out of HFA's fees and are not an additional cost to the Unitholders.

Service Provider Agreement with National Australia Bank Limited ('NAB')

HFA has entered into a service provider agreement with NAB to provide administrative services for the Fund. The agreement will be reviewed by HFA not less than annually. The investment administration services provided to the Fund include, amongst other things:

- a) maintaining the accounts of the Fund;
- b) maintaining accurate and timely taxation records of the Fund;
- c) quarterly GST reporting;
- d) preparing business activity statements;
- e) calculating Unit prices;
- f) processing subscriptions, redemptions and distributions for the Fund;
- g) distributing information to existing and prospective Unitholders;
- h) managing commission payments to financial advisers; and
- i) maintaining the register of Unitholders for the Fund.

Section 10: Additional Information cont'd

Custody Agreement with NAB

HFA has entered into a custody agreement with NAB in accordance with the requirements of the Corporations Act and ASIC Regulatory Guides. The custody agreement provides for, amongst other things:

- a) the Fund's assets to be held in the name of the Custodian on trust for the Fund's Unitholders as agent for HFA as the responsible entity; and
- b) the duties and obligations of the Custodian and HFA.

The Custodian acts on the instructions of HFA in undertaking the purchasing, selling and holding of authorised investments of the Fund and the receiving, holding and disbursing of the Fund's money. Under the custody agreement, the Custodian is indemnified by HFA, as responsible entity, in relation to the services the Custodian properly performs for the Fund.

Service Provider agreement with KPMG

HFA has entered into service provider agreements with KPMG to provide audit and tax services to HFA and the Fund. The agreements will be reviewed by HFA not less than annually.

Consents

NAB is named in its capacity as Custodian of the Fund. Fees for custodial and administrative services provided to the Fund will be payable by the Fund during the life of this PDS. NAB has given, and not withdrawn, its written consent to be named in the PDS as Custodian and administrative service provider of the Fund in the form and context set out in this PDS. NAB has not been involved in the preparation and has not authorised or caused the issue of, and takes no responsibility for, any part of this PDS.

KPMG is named in its capacity as auditor of and tax adviser to the Fund in the Corporate Directory for reference purposes only. Fees for audit and tax services to the Fund will be payable by the Fund during the life of this PDS. Fees for audit and tax services to HFA will be paid directly by HFA and are not an additional cost to Unitholders of the Fund. KPMG has given, and not withdrawn, its written consent to being named in this PDS as auditor of, and tax adviser to the Fund in the form and context in which it is named. KPMG has not caused or authorised the issue of, and takes no responsibility for, any part of this PDS.

Clayton Utz is named in its capacity as solicitors in the Corporate Directory for reference purposes only. Clayton Utz has given and not withdrawn its written consent to being named as solicitor in the Corporate Directory in the form and context in which it is named. Clayton Utz has not caused or authorised the issue of, and takes no responsibility for, any part of this PDS.

LHP is named as investment adviser to the Fund. LHP has given, and not withdrawn its written consent to be named in this PDS in the form and context in which it is named. LHP has not been involved in the preparation of and has not caused or authorised the issue of this PDS.

Section 11: Defined Terms and Glossary

Defined Terms

In this PDS:

Administration Costs are explained on page 17;

Application Form means the application form accompanying this PDS;

ASIC means the Australian Securities and Investments Commission;

Bond means a security issued by a corporation, government, agency or other body (the issuer) which represents funds borrowed by the issuer that must be repaid;

Constitution means the Constitution of the Fund, as varied or replaced from time to time;

Contribution Fees are explained on page 19;

Corporations Act means the Corporations Act 2001 and Corporations Regulations 2001, subject to any applicable ASIC relief or modification;

Custodian or Custodian & Administrator means NAB;

Derivative means a security that derives its value from some underlying security, index, interest rate, bond or commodity;

Distribution Period means the last day of June, or the last day of December or such other day as determined by HFA at its discretion;

Financial Adviser Service Fees are explained on page 18;

Fund means HFA Diversified Investments Fund ARSN 093 497 468;

Future or "a future" means an obligation to deliver or receive a specified asset at a specified time in the future and at a specified price;

HFA means HFA Asset Management Limited ABN 25 082 852 364;

High Water Mark is explained under Performance Fees on page 18;

Index benchmark means a benchmark which is based on a nominated share, bond or similar market index;

Indirect Investor means an investor that invests in the Fund through a Portfolio Service;

Institutional Investor means any large institutional investor, as defined by HFA from time to time at its complete discretion;

Leverage means the use of borrowings or derivatives in order to increase exposure to a portfolio of investments. See page 11 for further explanation;

LHP or Lighthouse means Lighthouse Investment Partners LLC;

Long position means a position where an asset will be purchased at a price with the intention of selling at a higher price for a profit;

Management Costs are explained on page 17;

Management Fees are explained on page 17;

NAB means National Australia Bank Limited ABN 12 004 044 937;

Net Asset Value or NAV means net asset value of the Fund;

PDS or Product Disclosure Statement means this Product Disclosure Statement dated 28 February 2008;

Performance Fees are explained on page 17;

Portfolio Service means an investor directed portfolio service, wrap account or master trust;

Responsible Entity means HFA;

Retail Investor means unless HFA agrees otherwise an investor who subscribes for Units with a total value of less than \$500,000;

Section 11: Defined Terms and Glossary cont'd

Retail Unit means a Unit in a retail unit class, whether hedged (HR) or unhedged;

Retail Unitholder means a holder of Retail Units;

Security means the right to a financial asset such as a share, stock, bond or debenture;

Short position means a position where an asset will be sold at a price with the intention of buying back at a lower price for a profit. See also Glossary for a further explanation;

Stock means shares in a company. The term security can sometime refer to stocks (shares);

Subscription Day means the last business day of a month, or such other day as determined by HFA, and is explained further on page 21;

Redemption Day means the last business day of a month, or such other day as determined by HFA;

Underlying Funds means the underlying funds in which the Fund invests or has investment exposure and any managed accounts that HFA may enter into with an individual investment manager;

Underlying Funds Costs are explained on page 17;

Unit means a unit in the Fund;

Unitholder means a holder of Units;

Updated Information means documents prepared by HFA from time to time to update this PDS for information changes which are not materially adverse to investors;

Wholesale Investor means an investor who is not a Retail Investor or Institutional Investor;

Wholesale Unit means a Unit in a wholesale unit class, whether hedged (HW) or unhedged;

Wholesale Unitholder means a holder of Wholesale Units.

Glossary

To help you understand some of the terms used in this PDS we have included a glossary.

What are Long and Short positions?

Long position: An asset will be purchased at a price with the intention of selling at a higher price for a profit.

Short position: An asset will be sold at a price with the intention of buying back at a lower price for a profit. A fund manager undertakes 'short selling' when they sell a security that they do not currently own (but may have borrowed) with the expectation that the price of the security will fall and they will be able to buy the security back later at a lower price.

What are the following?

Bonds: A security issued by either a corporation, government, agency or other body (the issuer) which represents funds borrowed by the issuer that must be repaid.

Derivatives: Securities that derive their value from some underlying security, index, interest rate, bond or commodity.

Futures: An obligation to deliver or receive a specified asset at a specified time in the future and at a specified price.

Options: An agreement which gives a party the right but not the obligation to either sell or purchase a specified security at a specified price for a specified period or at a specified time.

Securities: The right to a financial asset such as a share, stock, bond or debenture.

Stocks: Stocks are a generic name for shares in a company. The term security can sometimes refer to stocks (shares).

Warrants: A right to buy shares at a specified price within a specified period of time.

Buy/sell spread?

A buy/sell spread is the difference between the price of buying units in a fund and the price of selling units in a fund. A buy/sell spread is generally maintained because of the transaction costs that are incurred in buying and selling the assets that make up a fund when investments are made or withdrawn. No buy/sell spread currently applies to the Fund.

What is a fund-of-funds?

A fund-of-funds is a managed investment scheme that invests the assets of the scheme with other funds, or investment managers, who in turn invest in various investments such as securities, bonds, commodities and derivatives. This enables an investor in the fund to take advantage of the investment strategy and return of the underlying funds in which the fund invests.

Section 11: Defined Terms and Glossary cont'd

What is leverage?

Leverage is the use of borrowings or derivatives in order to increase exposure to a portfolio of investments.

For example, if a manager has assets under management of \$100 million and borrows \$100 million to increase the amount invested to \$200 million the manager has leverage of '2 times'. This refers to the total amount being invested being two times the manager's original assets.

See page 13 regarding the risks involved with leverage.

What are the following types of investment strategies?

Distressed Debt

This strategy involves the opportunistic purchasing of debt that is not currently paying interest or is about to stop paying interest in the belief it will be of greater value over time.

Fixed Income Trading

Fixed income strategies attempt to profit from movements in bond prices.

Global Trading

Global trading involves short-term statistically based trading in the global futures, debt, equity, currency and commodity markets. Portfolios are broadly diversified across positions and markets and are traded 24 hours per day in all markets.

Long/Short Equity

Long/short equity strategies involve the purchase of undervalued shares (long) and the selling short (short) of overvalued shares. The strategy is flexible as to its constraints on a portfolio as to the percentage held long versus the percentage held short.

Market Neutral Equity

Similar to long/short strategies, market neutral strategies involve purchasing undervalued securities long and selling short overvalued securities. It differs from long/short as it maintains a tight control over the percentage invested long versus the percentage invested short (+/-10% range).

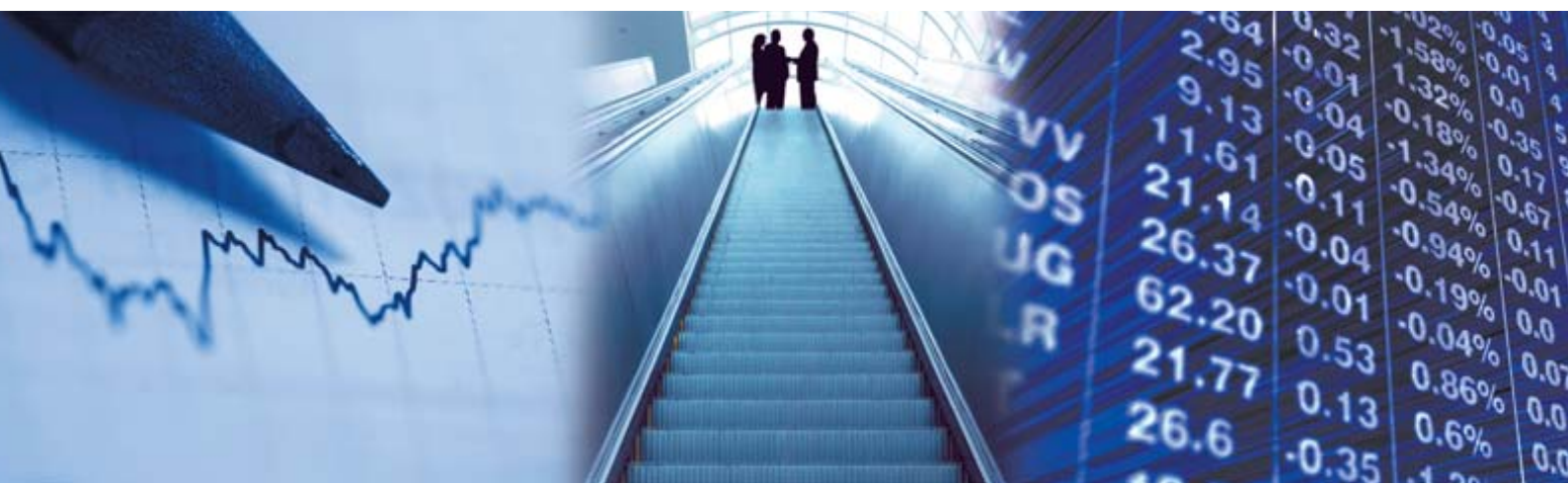
Options

Options strategies take advantage of believed mispricing in options volatility on a broad array of securities including equities, bonds, currencies and commodities.

Relative Value Arbitrage

Relative value arbitrage is the pairing of one instrument that is believed to be overpriced with another closely related instrument that is believed to be under-priced.

Section 12: Application Form



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RETURN
SOLUTIONS



Application Form

HFA Diversified Investments Fund

This application form is used to apply for units offered under the HFA Diversified Investments Fund Product Disclosure Statement (PDS) dated 28 February 2008. You should read the PDS in full before applying for Units in the Fund. An incomplete application form will not be accepted.

Instructions to complete

- Please complete the application form using **BLACK INK**.
- Print within the boxes in **CAPITAL LETTERS**.
- Indicate your preference by marking boxes with 'X' where appropriate.
- Complete **ALL** parts relevant to your investor type.
- Ensure the form is signed by all relevant authorised signatories.
- Indicate how much you wish to invest in the Fund in part 5.
- Send all additional information and documentation for AML/CTF purposes as detailed in part 13 for your investor type.
- Send the original application form (faxes are not acceptable) if this is your initial application.
- Enclose a contribution cheque or complete the Direct Debit Request Form.
- Ensure you provide an email address to receive statements, reports and other notices and communications.

1. Investor type

(a) Are you a new investor or an existing investor?

New investor

Existing investor Give details of your existing investor number

Existing investor number (Please leave blank if this is a first application):

Existing investor name:

(b) What type of investor are you? (must be completed)

Individual Go to part 2(a)

Sole trader Go to part 2(a) and 2(c)

Joint Go to part 2(a) and 2(b)

Company Go to part 2(c)

Partnership Go to part 2(c)

Registered co-operative Go to part 2(c)

Government body Go to part 2(c)

Trust (other than superannuation) Go to part 2(d)

Superannuation Go to part 2(d)

Custodian Go to part 2(d)

Incorporated association Go to part 2(c)

Unincorporated association Go to part 2(c)

Other – please specify _____ Go to part 2(c)

Application Form

HFA Diversified Investments Fund

2. Investor details (must be completed in full)

(a) Investor details A

Title: Date of birth: / /
 Surname:
 Given name(s):
 Registered street address:*
 Unit no: Street no: Street name:
 Suburb: State: Postcode:
 Tax File Number: Or exemption:

(b) Investor details B

Title: Date of birth: / /
 Surname:
 Given name(s):
 Registered street address:
 Unit no: Street no: Street name:
 Suburb: State: Postcode:
 Tax File Number: Or exemption:

(c) Company/Partnership/Incorporated or Unincorporated association/Registered co-operative/Government body details

Full name:
 Full registered business name (if applicable) of the partnership:

 Full street address of registered office:*
 Unit no: Street no: Street name:
 Suburb: State: Postcode:
 Full street address of principal place of business:
 Unit no: Street no: Street name:
 Suburb: State: Postcode:
 Tax File Number:
 ABN: OR ACN/ARBN:

* This must be a physical street address and cannot be a post office box.

Country of registration/establishment: Australia Foreign^, please specify _____
 Are you a regulated company/partnership: Yes^ No
 Name of regulator/Registration body:
 Details of relevant licence:

^ HFA reserves the right to request further documentation.

Is the Government body a body of The Commonwealth of Australia
 A State, Territory or a foreign country, please specify _____

Application Form

HFA Diversified Investments Fund

(d) Trustee/Responsible entity/Custodian details

Enter Trustee/Responsible entity/Custodian details in Part 2(a), 2(b) or 2(c)

Type of trust (must be completed)

- Registered managed investment scheme
- Regulated trust/Superannuation fund
- Government superannuation fund
- Wholesale trust
- Any other trust, please specify _____

Acting as: Trustee for Responsible entity for
 Custodian for Other, please specify _____

Name of trust: _____

ABN: Tax File Number:

Superannuation Fund Number:

ARSN for registered schemes:

Country of establishment: Australia Other, please specify _____

Note: The following information applies to 2 (a), (c) & (d). Failure to quote a Tax File Number (TFN) or Australian Business Number (ABN) is not an offence, however, we are required to withhold tax from your distributions at the highest marginal rate of tax (plus medicare levy) until your TFN or ABN is provided. Collection of TFN and ABN information is authorised and its use and disclosure are strictly regulated by tax and privacy laws.

If a TFN exemption applies please supply supporting documentation.

Existing clients (Australian investors only): We will use the Tax File Number (TFN)/Australian Business Number (ABN) or Exemption you have previously advised unless you request us not to.

If you do not wish HFA to use the TFN/ABN or Exemption already quoted, please tick the box on the right.

3. Contact details (must be completed in full)

(a) Investor contact details (Joint investors please include one set of contact details for all communications)

Contact name: _____

Postal address: (if different to part 2)

Unit no: Street no: Street name: _____

Suburb: _____ State: Postcode:

Telephone (business hours): _____ Telephone (after hours): _____

Mobile number: _____ Fax number: _____

Email address: _____

(b) Financial Adviser contact details

Authorised representative name: _____

Dealer group: _____

Mailing address: Unit no: Street no: Street name: _____

Suburb: _____ State: Postcode:

Telephone number: _____ Fax number: _____

Email address: _____

AFSL number: _____ ABN: _____



HFA Asset Management Limited
Australian Financial Services Licence 246747
Please complete and send to:
Mail: Attention: Unit Registry
National Australia Bank Limited
Registry Services
PO Box 1406, Melbourne VIC 3001

Application Form

HFA Diversified Investments Fund

(c) Other contact details (including attorneys/agents)

Please provide details of other parties authorised to receive details of your investment.

Name:	<input type="text"/>				
Company:	<input type="text"/>				
Relationship to investor:	<input type="text"/>				
Mailing address:	Unit no: <input type="text"/>	Street no: <input type="text"/>	Street name:	<input type="text"/>	
Suburb:	<input type="text"/>	State:	<input type="text"/>	Postcode:	<input type="text"/>
Telephone number:	<input type="text"/>		Fax number:	<input type="text"/>	
Email address:	<input type="text"/>				

4. Reporting (must be completed)

Please indicate your preference for contact by ticking the appropriate box. Copies of all correspondence is to be mailed/mailed to the investor and: Financial Adviser Other please state _____

Please ensure email addresses are provided in the relevant contact part above.

If you elect to receive a copy of the Fund's annual report, we are required by law to provide a copy to you free of charge (which will be sent to your specified email address). If you do not elect to receive a copy, then you may access the Annual Report on our website at www.hfaam.com.au (we will notify you of the website address each year).

Please mark if you would like to receive a copy of the Annual Report each year.

I wish to receive a copy of the Annual Report each year

5. Investment details (must be completed)

Please specify the investment amount against the unit class in the table below:

Unit Class	Investment amount	Distribution preference*	
		Reinvestment	Bank deposit
1 HFA Diversified Investments Fund (Hedged Retail)	\$	<input type="checkbox"/>	<input type="checkbox"/>
2 HFA Diversified Investments Fund (Hedged Wholesale)	\$	<input type="checkbox"/>	<input type="checkbox"/>
Total	\$	<input type="checkbox"/>	<input type="checkbox"/>

The minimum initial investment is \$5,000 in the HFA Diversified Investments Fund (Hedged Retail Units) and \$500,000 in the HFA Diversified Investments Fund (Hedged Wholesale Units), unless HFA permits otherwise.

The minimum additional investment is \$1,000 in the HFA Diversified Investments Fund (Hedged Retail Units) and \$20,000 in the HFA Diversified Investments Fund (Hedged Wholesale Units), unless HFA permits otherwise.

YES, I have attached a cheque for the above amount payable to "NNL OCA HFA Application Account".
or

YES, please arrange to direct debit the above amount from my nominated bank account. (Please ensure the attached Direct Debit Request Form is completed for the application amount).

* If a distribution preference is not indicated, your distribution entitlement will be reinvested as additional Units in the Fund. Any cost incurred by HFA in paying distributions by bank deposit may be payable by the investor.



HFA Asset Management Limited
Australian Financial Services Licence 246747
Please complete and send to:
Mail: Attention: Unit Registry
National Australia Bank Limited
Registry Services
PO Box 1406, Melbourne VIC 3001

Application Form

HFA Diversified Investments Fund

6. Regular Savings Plan (Retail Units ONLY)

YES, I would like to participate in the Regular Savings Plan. (Please ensure the attached Direct Debit Request Form is completed for the Regular Savings plan with the nominated amount specified and the frequency ie. monthly or quarterly).

Minimum: \$250 per month or \$750 per quarter. Monthly and Quarterly Savings Plan Applications for Units are processed on the 25th of the month.

NO, I do not want to participate in the Regular Savings Plan.

7. Bank account details (must be completed)

Please nominate the bank account into which you would like distributions (where not reinvested) and withdrawals paid.

Account name:

(Must be in the name of an investor)

Name of financial institution:

(Must be an Australian authorised deposit taking institution)

Branch:

BSB: Account number:

8. Contribution Fee

Complete this part if you have agreed with your Financial Adviser to have a Contribution Fee deducted up to 4%. If you have obtained financial product advice about your investment from the Financial Adviser part 2 (b), complete part 10 and do not nominate a fee, no fee will be charged.

HFA Diversified Investments Fund (Hedged Retail) %

9. Financial Adviser Service Fee (Retail Units ONLY)

Complete this part if you have agreed with your financial adviser to have a Financial Adviser Service Fee paid out of the Fund's distributions of up to 1% per annum of your investment balance in the Fund. If you do not nominate a fee, no fee will be charged.

HFA Fund (Hedged Retail)

%



HFA Asset Management Limited
 Australian Financial Services Licence 246747
 Please complete and send to:
 Mail: Attention: Unit Registry
 National Australia Bank Limited
 Registry Services
 PO Box 1406, Melbourne VIC 3001

Application Form

HFA Diversified Investments Fund

10. Consents

I _____ (Investor Name) confirm that I have entered into an agreement with the Dealer Group for the Dealer to provide me with financial product advice, and I have requested that the Dealer further advise me (through the Financial Adviser) in maintaining my investment in the Fund.

I request that HFA enter into an agreement with the Dealer to pay the Dealer fees for providing that advice to me and I agree that HFA will pay the Contribution Fee and/or Financial Adviser Service Fee for that advice from my investment or distributions in the Fund at the rate selected in Part 8 and 9 above. I note that I may instruct HFA at any time not to pay the Contribution Fee and/or Financial Adviser Service Fee.

Client Signature _____ Date _____ Client Signature _____ Date _____

I _____ (Financial Adviser Name) on behalf of the Dealer request that HFA pay the Contribution fee and/or Financial Adviser Service Fee nominated in Part 8 and 9 to the Dealer for the Dealer providing financial product advice to the Client to assist the Client in choosing the Fund in which to maintain his or her investment. I acknowledge that HFA is not responsible for advice that the Dealer provides to the Client. I agree to indemnify HFA against any claim made against or loss incurred by HFA in connection with advice provided to the Client. The Dealer and I are not HFA agents nor are we your partners. I am authorised to sign this Application on behalf of the Dealer.

Financial Adviser Signature _____ Date _____

The Dealer can reduce the Financial Adviser Service Fee at any time by notifying HFA in writing. The Financial Adviser Service Fee cannot be increased unless: (a) the Client completes a Financial Adviser Service Fee Variation Form (available from HFA) which also requires the Dealers signature, or (b) the Dealer completes a Financial Adviser Service Fee Variation Form (available from HFA) which is also signed by the Client.

HFA can terminate this agreement by notifying the Dealer and the Client in writing on 30 days notice at any time or immediately if in HFA's opinion it is necessary to do so in order to comply with the Corporations Act.

11. Declaration and signature (must be completed)

By signing this application the investor acknowledges and confirms that they:

- Are 18 years of age or over (otherwise applications must be made in the name of parent/guardian and signed by parent/guardian).
- Agree to be bound by the provisions of the PDS and the Fund's Constitution (which may be amended from time to time). HFA reserves the right to refuse applications for units at its discretion.
- Declare that this application was included in, or accompanied by, the PDS dated 28 February 2008, which they have received and read in full.
- Acknowledge that neither HFA nor any other person guarantees the return of capital invested, or the performance of the Fund.
- Authorise HFA to apply the Tax File Number or Australian Business Number quoted to all investments in the name of the investor.
- Authorise HFA to disclose information relating to all investments in the name of the investor to any related entities, your Financial Adviser/Dealer, and anyone acting on HFA's and/or the Financial Adviser/Dealer behalf such as external service suppliers who supply administrative, financial or other services to HFA and/or the Financial Adviser/Dealer.

Individual/Sole trader/Joint/Partnership/Trustee/Responsible entity/Custodian

Signature _____ Name _____ Date _____

Signature _____ Name _____ Date _____

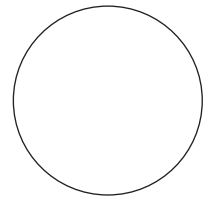
Application Form

HFA Diversified Investments Fund

11. Declaration and signature (must be completed) cont'd

Company/Incorporated or Unincorporated association/Registered co-operative/Government body
 (at least two to sign unless you indicate you are a sole director)

Signature	Name and title	Date
_____	_____	_____
	(e.g. Director, secretary or sole director/Secretary)	
Signature	Name and title	Date
_____	_____	_____
	(e.g. Director, secretary or sole director/Secretary)	



Company seal (if applicable)

12. Additional authorised signatories (including attorneys/agents)s

Signature	Name
_____	_____
Signature	Name
_____	_____
Signature	Name
_____	_____
Signature	Name
_____	_____

Please indicate who is to sign Any 1 to sign 2 to sign All to sign

If you do not indicate a choice, HFA will assume any one signatory can sign.

Please ensure you have completed Part 13 on the following page.

Application Form

HFA Diversified Investments Fund

13. Additional information for AML/CTF purposes

In addition to completing the application form it is necessary to provide additional information and documentation to assist with customer verification procedures with regard to the AML/CTF Act and Rules. Please complete the checklist below for the relevant investor type part you have specified in part 1b of the application form. Ensuring the following information is provided will enable a smooth application process.

Please be advised that a certified copy may be signed by a financial planner with more than 2 years of service, Justice of the Peace, solicitor, accountant or police officer. For more details of acceptable certification please refer to our website.

Please note that it may be necessary to complete more than one part depending on the structure of your holding. For example, a Trustee Company will need to complete the part for the Trustee AND the Company. An individual who has appointed a financial planner to act on their behalf will need to complete the "Individual" and "Agent" parts.

HFA reserves the right to request further documentation and has absolute discretion to accept or reject any application subject to the receipt of full documentation. Where any document is in a language that is not English it must be accompanied by an English translation prepared by an accredited translator.

If your financial adviser has a Distribution Agreement in place with HFA, they may be able to collect and retain the certified documentation as required below on behalf of HFA.

Please indicate in the box below, as to whether a Distribution Agreement is in place:

YES, my financial adviser is subject to a Distribution Agreement with HFA.

If no Distribution Agreement is in place with HFA, please provide the information or documentation listed in respect of each investor type as applicable to your circumstances.

Individual/Sole trader

Original or certified copy of ONE of the following:

- Current Australian driver's licence containing a photograph of the person.
- Australian passport issued by the Commonwealth (not more than two years past expiry).
- Current card issued under a law of a State or Territory for the purpose of proving a person's age which contains a photograph of the person in whose name the document is issued.
- Current foreign passport or similar document issued for the purpose of international travel, that contains a photograph and the signature of the person in whose name the document is issued.

Company

- For a proprietary company, the name of each director of the company.
- A certified list of your authorised signatories otherwise instructions will only be accepted if signed by the signatories in part 11.
- If the company is a proprietary company or a foreign private company and is not a regulated company, the name and residential address of any individual who owns, through one or more shareholdings, more than 25% of the issued capital of the company.
- If the company is a majority-owned subsidiary of an Australian listed company, the name of the Australian listed company and the name of the relevant market/exchange.
- If the company is a listed company, the name of the relevant market/exchange.

Application Form

HFA Diversified Investments Fund

Trusts and trustees

- In respect of one of the trustees, the information and documentation for an individual or company as specified above; and
- If the trust is a wholesale trust, an original, certified copy or certified extract of the trust deed; or
- If the trust is a regulated trust, the name of the regulator and relevant registration/licensing details; or
- If the trust is a government superannuation fund established under legislation, the name of that legislation and the provision that establishes the fund.

If the trust is any other trust:

- In relation to the name of the trust, an original, certified copy or certified extract of the trust deed or a notice (such as a notice of assessment) issued by the Australian Taxation Office within the last 12 months; and
- Full name of each beneficiary; or
- If the terms of the trust identify the beneficiaries by reference to membership of a class – details of the class; and
- Full name and residential address of each trustee who is an individual; and
- Full name and address of each trustee who is not an individual.

Partnerships

- In relation to one of the partners the information and documentation for an individual as specified above; and
ONE of the following in relation to the name of the partnership:
 - A certified copy or certified extract of minutes of a partnership meeting; or
 - An original partnership agreement; or
 - A certified copy or certified extract of the partnership agreement; or
 - A notice (such as a notice of assessment) issued by the Australian Taxation Office within the last 12 months; or
 - An original or certified copy of a certificate of registration of business name issued by a government or government agency in Australia.

AND ONE of the following:

- An original current membership certificate (or equivalent); or
- Membership details independently sourced from the relevant association; or
- Full name and residential address of each partner in the partnership.

Incorporated associations

- Full name of the chairman, secretary and treasurer or equivalent officer in each case; and
- Any unique identification number issued upon incorporation by the registration body; and
- Original or certified extract of:
 - The constitution or rules of association; or
 - Minutes of meeting of the association; or
 - Information provided by the relevant registration body responsible for the incorporation for the association.

Application Form

HFA Diversified Investments Fund

Unincorporated associations

- Full name of the chairman, secretary and treasurer or equivalent officer in each case; and
- In respect of a member of the unincorporated association information required for an individual as specified above; and
- An original or certified extract of:
 - The constitution or rules of association; or
 - Minutes of meeting of the association; and
 - In relation to one of the members the information for an individual as specified above.

Registered co-operatives

- Full name of the chairman, secretary and treasurer or equivalent officer in each case; and
- Any unique identification number issued upon its registration by the relevant registration body; and
- An original, certified copy or certified extract of the:
 - Register maintained by the co-operative; or
 - Minutes of meeting of the co-operative; or
 - Information provided by the relevant registration body in relation to the registration of the co-operative.

Government body

- If the government body is established under legislation, a copy or relevant extract of the legislation obtained from a reliable and independent source, such as a government website.

Agents of investors

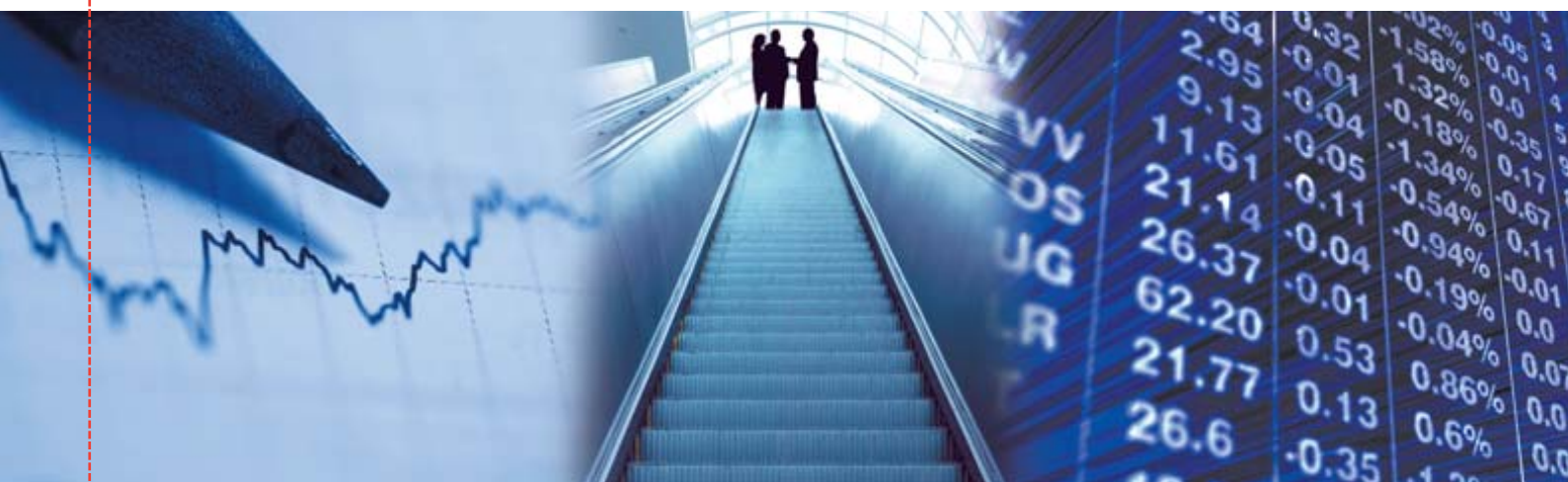
The following applies when a investor authorises an agent to act for or on behalf of themselves in relation to a designated service:

- Evidence of the investor's authorisation specifying the appointment of the agent (e.g. signed letter, signed authorisation form, signed power of attorney etc).

The following applies when a non-individual investor (e.g. company, trustee, co-operative etc) appoints a verifying officer (e.g. employee, agent or contractor) to identify an agent appointed by the non-individual investor:

- In respect of the verifying officer, the information for an individual as specified above.
- Evidence of the investor's authorisation specifying the appointment of the verifying officer (e.g. signed letter, signed authorisation form etc).
- In respect of the agent:
 - Full name of each agent.
 - A copy of the signature of the agent.

Section 14: Direct Debit Request



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IFA
asset management

HFA DIRECT DEBIT REQUEST (DDR)

Request and Authority to debit the account named below to pay
HFA Asset Management Limited

Request and Authority to debit	Surname or company name _____ Given Names or ACN / ARBN _____ ("YOU") request and authorise HFA Asset Management Limited (Direct Debit ID 338844) to arrange, through its own financial institution, a debit to your nominated account any amount HFA Asset Management Limited , has deemed payable by you. This debit or charge will be made through the Bulk Electronic Clearing System (BECS) from your account held at the financial institution you have nominated below and will be subject to the terms and conditions of the Direct Debit Request Service Agreement.		
Details of Direct Debit – Application Amount	Single Direct Debit of your nominated account in favour of "NNL OCA HFA Application A/C" on the 25th of the month.		
	\$		
Details of Direct Debit – Regular Savings Plan	Direct Debit of your nominated account the Regular Savings Plan amount in favour of "NNL OCA HFA Application A/C" on the 25th of the month.		
	\$	Monthly	Quarterly
Insert the name and address of financial institution at which account is held	Financial institution name: _____ Address: _____ _____		
Insert details of account to be debited	Name of account: _____ BSB number: _____ A/C Number: _____		
Acknowledgment	By signing <i>and/or</i> providing us with a valid instruction in respect to <i>your</i> Direct Debit Request, you have understood and agreed to the terms and conditions governing the debit arrangements between you and HFA Asset Management Limited as set out in this Request and in your Direct Debit Request Service Agreement.		
Insert your signature and address	Signature: _____ (If signing for a company, sign and print full name and capacity for signing eg. Director) Address: _____ Date: _____		
Insert your signature and address	Signature: _____ (If signing for a company, sign and print full name and capacity for signing eg. Director) Address: _____ Date: _____		

HFA DIRECT DEBIT REQUEST (DDR) SERVICE AGREEMENT

The following is your Direct Debit Service Agreement with HFA Asset Management Limited. The agreement is designed to explain what your obligations are when undertaking a Direct Debit arrangement with us. It also details what our 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 HFA Asset Management Limited, (the Debit User) *you* have authorised by signing a *Direct Debit Request*.

you means the customer who signed the *Direct Debit Request*.

your financial institution 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, *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*.

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: **HFA Asset Management Limited, GPO Box 1616, Brisbane QLD 4001**, or by telephoning *us* on **1300 30 90 92** 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*:
 - (a) *you* may be charged a fee and/or interest by *your financial institution*;
 - (b) *you* may also incur fees or charges imposed or incurred by *us*; and
 - (c) *you* must arrange for the *debit payment* to be made by another method or arrange for sufficient clear funds to be in *your account* by an agreed time so that *we* can process the *debit payment*.
- 4.3 *You* should check *your account* statement to verify that the amounts debited from *your account* are correct.
- 4.4 If **HFA Asset Management Limited** is liable to pay goods and services tax ("GST") on a supply made in connection with this *agreement*, then *you* agree to pay **HFA Asset Management Limited** 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 30 90 92** 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:

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

7. Confidentiality

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

8. Notice

- 8.1 If *you* wish to notify *us* in writing about anything relating to this *agreement*, *you* should write to **HFA Asset Management Limited, GPO Box 1616 Brisbane QLD 4001**
- 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.

Notes:

Notes:

Notes:

Section 15: Corporate Directory

Responsible Entity

HFA Asset Management Limited

ABN 25 082 852 364

Phone: 1300 30 90 92

Fax: (07) 3229 7580

Post: GPO Box 1616

Brisbane QLD 4001

E-mail: contact@hfaam.com.au

Web: www.hfaam.com.au

Level 5,

151 Macquarie Street

Sydney NSW 2000

Level 27,

101 Collins Street

Melbourne VIC 3000

Level 14,

10 Eagle Street

Brisbane QLD 4000

Auditor

KPMG

Level 16, Riparian Plaza

71 Eagle Street

Brisbane QLD 4000

Solicitors

Clayton Utz

Level 28, Riparian Plaza

71 Eagle Street

Brisbane QLD 4000

Unit Registry

National Australia Bank Limited

Registry Services

Post: PO Box 1406

Melbourne VIC 3001

Level 21

500 Bourke Street

Melbourne VIC 3000

Fax: 1300 365 601

Custodian & Administrator

National Australia Bank Limited

Level 21

500 Bourke Street

Melbourne VIC 3000

Tax Adviser

KPMG

147 Collins Street

Melbourne VIC 3000



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