Ares Diversified Credit Fund

Supplementary Product Disclosure Statement (SPDS)

Dated: 1 May 2025

This Supplementary Product Disclosure Statement (**SPDS**) dated 1 May 2025 is issued by Fidante Partners Limited (ABN 94 002 835 592, AFSL 234 668) (**Fidante, we, our, us, Responsible Entity**) as Responsible Entity of the Ares Diversified Credit Fund (ARSN 644 797 599) (**Fund**). It supplements and is to be read together with the Fund's Product Disclosure Statement (**PDS**) for Class I dated 25 February 2025 issued by Fidante.

The SPDS has been issued to update the following information regarding the Class I of the Fund:

Section	Previous disclosure	Updated disclosure (strikethrough for deletion, underline for addition)
About this Product Disclosure Statement (PDS), page 2, 4th paragraph under "Important notices"	The offer or invitation to subscribe for units in the Fund under this PDS is only available to persons receiving this PDS in Australia and is subject to the terms and conditions described in this PDS. The information in this PDS is of a general nature and is based on our understanding of the Australian tax laws, as at the date of this document, as they relate to Australian resident individual taxpayers who hold their investment on capital account.	The offer or invitation to subscribe for units in the Fund under this PDS is only available to persons receiving this PDS in Australia <u>or New Zealand</u> and is subject to the terms and conditions described in this PDS. The information in this PDS is of a general nature and is based on our understanding of the Australian tax laws, as at the date of this document, as they relate to Australian resident individual taxpayers who hold their investment on capital account <u>and does not take into account the tax treatment of New Zealand resident taxpayers</u>.
Risks of Investing in Managed Investment Schemes, page 25	The level of acceptable risk will vary across investors and will depend upon a range of factors such as age, investment timeframe, where other parts of the investor's wealth is invested and the investor's level of risk tolerance. The risks set out in this section are general only and are not exhaustive. Prospective investors should consider obtaining independent financial advice to determine if an investment in the Fund is appropriate in light of their financial situation, objectives and needs.	The level of acceptable risk will vary across investors and will depend upon a range of factors such as age, investment timeframe, where other parts of the investor's wealth is invested and the investor's level of risk tolerance. <u>New Zealand investors need to be aware there are differences in how securities are regulated under Australian laws. For example, the disclosure of fees may be different and the rights, remedies and compensation arrangements available to New Zealand investors may differ.</u> The risks set out in this section are general only and are not exhaustive. Prospective investors should consider obtaining independent financial advice to determine if an investment in the Fund is appropriate in light of their financial situation, objectives and needs.

Additional information about making a complaint, page 46, 2nd paragraph under "The Australian Financial Complaints Authority (AFCA)"	AFCA provides fair and independent financial services complaint resolution that is free to consumers.	AFCA provides fair and independent financial services complaint resolution that is free to consumers. <u>New Zealand investors must send all complaints in writing to the Financial Markets Authority, New Zealand.</u>
How managed investment schemes are taxed, page 47	The Australian tax commentary below is of a general nature and is based on our understanding of the Australian tax laws, as at the date of this document, as they relate to Australian resident individual taxpayers who hold their investment on capital account. Any information contained therein should be used as a guide only and does not constitute professional taxation advice as individual circumstances may differ. Fidante is not a registered tax (financial) adviser and is not licensed or authorised to provide tax advice. We recommend that you obtain your own professional advice regarding your position, as tax and social security laws are complex and subject to change, and investors' individual circumstances vary.	The Australian tax commentary below is of a general nature and is based on our understanding of the Australian tax laws, as at the date of this document, as they relate to Australian resident individual taxpayers who hold their investment on capital account. <u>It does not take into account the Australian or New Zealand tax treatment of New Zealand resident taxpayers.</u> Any information contained therein should be used as a guide only and does not constitute professional taxation advice as individual circumstances may differ. Fidante is not a registered tax (financial) adviser and is not licensed or authorised to provide tax advice. We recommend that you obtain your own professional advice regarding your position, as tax and social security laws are complex and subject to change, and investors' individual circumstances vary.
Other important information, page 51	**Indirect Investors** Investors accessing the Fund through platforms that are an IDPS or IDPS like scheme do not become unitholders in the Fund, nor do they acquire the rights of a unitholder. It is the platform operator that acquires those rights and can exercise or decline to exercise them on behalf of Indirect Investors. To invest, Indirect Investors need to complete the documentation which their platform operator requires. Before investing, please ensure you read and understand the Fund's PDS and TMD as well as the platform operator's documentation as that explains their services and fees. Please contact the relevant platform operator directly with any enquiries.	**Indirect Investors** Investors accessing the Fund through platforms that are an IDPS or IDPS like scheme do not become unitholders in the Fund, nor do they acquire the rights of a unitholder. It is the platform operator that acquires those rights and can exercise or decline to exercise them on behalf of Indirect Investors. To invest, Indirect Investors need to complete the documentation which their platform operator requires. Before investing, please ensure you read and understand the Fund's PDS and TMD as well as the platform operator's documentation as that explains their services and fees. Please contact the relevant platform operator directly with any enquiries. **<u>New Zealand Investors</u>** <u>This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Cth) (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct</u>

		Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014. Please refer to 'Important Information for New Zealand Investors'.
Other important information, page 52		**Important information for New Zealand investors** This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014. This offer and the contents of the offer document are principally governed by Australian rather than New Zealand law. In particular, the Corporations Act and the regulations made under that Act set out how the offer must be made. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products. Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (http://www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint. The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser. This offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant. If you expect the financial products to pay any amounts in a currency that is not in New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand dollars. The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

		Contact details for New Zealand Investors Fidante Investor Services Team: +612 8023 5428 8.15am to 5.30pm Monday to Friday (Sydney time) Email: info@fidante.com.au Website: www.fidante.com.

There is no change to how the Fund or the Underlying Fund is to be managed, to the investment management team, or to Ares investment process or philosophy.

Updated information

The information in this SPDS is up-to-date at the time of preparation. However, some information can change from time to time. If a change is considered materially adverse, we will issue a replacement supplementary PDS or PDS. For updated or other information about the Fund (such as a copy of the SPDS, PDS, TMD or other information such as performance) that is not considered materially adverse, please contact your financial adviser, call the Fidante Investor Services Team on 1300 721 637 during Sydney business hours or visit our website www.fidante.com. We will send you a copy of the updated information free of charge upon request.

Ares Diversified Credit Fund

Product Disclosure Document
25 February 2025

Ares Diversified Credit Fund
ARSN 644 797 599
APIR HOW7354AU

Responsible Entity
Fidante Partners Limited
ABN 94 002 835 592
AFSL 234668

ABOUT THIS PRODUCT DISCLOSURE STATEMENT (PDS)

This product disclosure statement dated 25 February 2025 provides information to help investors and their advisers assess the merits of investing in Class I of the Ares Diversified Credit Fund (ARSN 644 797 599) (**Fund**). You should read this document in full before making an investment decision about the Fund. In addition you should also read the Target Market Determination (**TMD**) in conjunction with the PDS to ensure investment in this Fund aligns with your objectives, financial situation and needs. The information provided in this PDS is general information only and does not take account of your personal financial situation or needs. You should obtain financial advice tailored to your own personal circumstances before investing in the Fund.

In preparing this PDS we did not take into account your particular investment objectives, financial circumstances or needs. As investors' needs and aspirations differ, you should consider whether investing in the Fund is appropriate for you in light of your particular objectives, financial circumstances or needs. You should also obtain independent advice before investing in the Fund, particularly about matters such as taxation, retirement planning and investment risk tolerance.

Important notices

Fidante Partners Limited (ABN 94 002 835 592, AFSL 234 668) (Fidante, we, our, us, Responsible Entity) is the responsible entity of the Scheme and issuer of this PDS. Our ultimate parent is Challenger Limited (ABN 85 106 842 371). Fidante is a member of the Challenger Limited group of companies (Challenger Group). Investments in the Fund are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Accordingly, the performance, the repayment of capital or any particular rate of return on your investments are not guaranteed by any member of the Challenger Group.

Fidante authorises the use of this PDS as disclosure to investors and potential investors who wish to access the Fund directly (Direct Investors), and through platforms that are an investor directed portfolio service (IDPS) or IDPS like scheme (Indirect Investors). Please refer to 'Indirect investors' in the "Additional information" section. The Fund only accepts investments from institutional, wholesale and sophisticated investors (as defined by the Corporations Act), or, investors which have received personal advice outlined in the Fund's TMD.

By investing in the Fund, you confirm that you have received a copy of the current PDS and TMD to which this investment relates, that you have read both documents and agree to the terms contained in them, and that you agree to be bound by the terms of the current PDS, TMD and the current Constitution (each as amended from time to time).

The offer or invitation to subscribe for units in the Fund under this PDS is only available to persons receiving this PDS in Australia and is subject to the terms and conditions described in this PDS. The information in this PDS is of a general nature and is based on our understanding of the Australian tax laws, as at the date of this document, as they relate to Australian resident individual taxpayers who hold their investment on capital account.

We have appointed Ares Australia Management Pty Limited (ABN 51 636 490 732, AFSL 537666) (**AAM**) as the investment manager of the Fund. Ares Capital Management II LLC (**Ares Capital**) have been appointed a Sub Adviser. The term 'Ares', where utilised in this PDS, refers to each of AAM, Ares Capital, Ares Management Corporation and/or Ares Wealth Management Solutions (**AWMS**), as appropriate.

Target Market Determination

The Target Market Determination (**TMD**) describes the type of customers who the product is likely to be appropriate for. It also specifies distribution conditions and restrictions that will help ensure the Fund is likely to reach customers in the target market. Each person should obtain and consider the Fund's TMD and this PDS before making a decision about whether to acquire or continue to hold the Fund to ensure this Fund aligns with your objectives, financial situation and needs.

Updated information

The information in this PDS is up-to-date at the time of preparation. However, some information can change from time to time. If a change is considered materially adverse we will issue a supplementary PDS or a replacement PDS. For updated or other information about the Fund (such as a copy of the PDS, TMD or other information such as performance) that is not considered materially adverse, please contact your financial adviser, call the Fidante Investor Services Team on 1300 721 637 or visit our website www.fidante.com. We will send you a copy of the updated information free of charge upon request.

Consents:

Ares Capital has provided consent to the statements about it, the Underlying Fund and the service providers of the Underlying Fund in the form and context in which they are included. AAM has provided consents to the statements about it in the form and context in which they are included. Ares Capital and AAM were not otherwise involved in the preparation and distribution of this PDS and are not responsible for the issue of this PDS, nor are they responsible for any particular part of this PDS other than those parts that refer to them. Ares Capital and AAM have not withdrawn their consent before the date of this PDS.

State Street Australia Limited, Boardroom Pty Limited, Citi and Ernst & Young have each provided their consent to the statements about them in the form and context in which they were included. They are not responsible for the issue of this PDS, nor are they responsible for any particular part of this PDS, other than the parts that refer to each of them. They have not withdrawn their consent before the date of this Report.

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Contact details

Phone	Fidante Investor Services Team on 1300 721 637 or +612 8023 5428 from outside Australia between 8.15am to 5.30pm (Sydney time)
Email	info@fidante.com.au
Mail	Fidante GPO Box 3993 Sydney NSW 2001. For any complaints please address to the 'Complaints & Disputes Resolution Officer.'
Website	www.fidante.com

ARES WEALTH MANAGEMENT SOLUTIONS

ABOUT ARES WEALTH MANAGEMENT SOLUTIONS, THE MANAGER, SUB-ADVISER, RESPONSIBLE ENTITY & FUND

About Ares Wealth Management Solutions and the Manager

Ares Wealth Management Solutions (**AWMS**) works with wealth managers, private banks, family offices and advisors across Australia and New Zealand to demystify the credit, private equity, real estate, and infrastructure asset classes by providing product-agnostic education and personalized support. AWMS makes the private markets more accessible to a broad set of investors through its suite of purpose-built investment solutions.

Ares Australia Management Pty Ltd (**AAM**) has been appointed by Fidante as the investment manager of the Fund. AAM has delegated the investment management of the Fund to Ares Capital Management II LLC (**Ares Capital**) as its sub-adviser and will monitor Ares Capital's performance of the investment management of the Fund.

About the Sub-Adviser

Ares Capital has been appointed by AAM as the sub-adviser of the Fund. Ares is a leading global alternative investment manager offering clients complementary primary and secondary investment solutions across the credit, private equity, real estate and infrastructure asset classes. Ares Capital is registered with the U.S. Securities and Exchange Commission (**SEC**). Ares Capital is corporate authorised representative (CAR no. 001300459) of Ares Management Asia (Australia) Pty Ltd who holds AFSL no. 536083.

Ares Capital is a wholly owned subsidiary of Ares Management Corporation (**Ares Management**), which is listed on the New York Stock Exchange and one of the largest global alternative asset managers. Ares investment groups collaborate with the goal of delivering innovative investment solutions and consistent and attractive investment returns for investors throughout market cycles. Ares Capital has been appointed sub-adviser and will perform the investment management of the Fund.

The portfolio managers of the Fund are Mr. Mitch Goldstein, Mr. Greg Margolies and Mr. Michael Smith. Mr. Goldstein, Mr. Margolies and Mr. Smith are also the portfolio managers of the Underlying Fund.

About the Advisers of the Underlying Fund

The investment adviser to the Underlying Fund is CION Ares Management LLC (**CAM**), an investment adviser registered with the SEC under the Investment Advisers Act of 1940 (U.S.) (**Advisers Act**). CAM is a joint venture that is majority owned and controlled by affiliates of Ares.

The investment sub-adviser to the Underlying Fund is also Ares Capital, an investment adviser registered with the SEC under the Advisers Act. CAM oversees the management of the Underlying Fund's activities and is responsible for making investment decisions for the Underlying Fund's portfolio, with recommendations and support from Ares Capital (together, the **Advisers**).

About the Responsible Entity

Fidante is the Responsible Entity of the Fund. As Responsible Entity of the Fund, we issue units in the Fund and are legally responsible to the unitholders of the Fund for its operation.

Fidante Partners forms long-term alliances with talented investment teams to support and grow specialist investment management businesses. We have appointed AAM as the investment manager of the Fund. We provide back office, marketing and distribution services to AAM, allowing AAM and Ares Capital the freedom to focus on investing and managing the assets of the Fund.

Neither we, nor any of our related entities, nor AAM, nor Ares, guarantee the repayment of your capital or the performance of your investment or any particular taxation consequences of investing.

About the Fund and the Underlying Fund

The Fund gains its investment exposure by investing in the CION Ares Diversified Credit Fund (**Underlying Fund**), cash and foreign currency exchange hedging instruments. In this PDS, where we refer to the Fund's investments we generally do so on a 'look through' basis; that is, we are referring to the underlying assets that the Fund is exposed to through its investment in the Underlying Fund. The Fund seeks to be as fully invested in the Underlying Fund as possible.

Please refer to the 'How we invest your money' section for more detailed information on this structure and the Fund's investments.

Significant features and benefits of the Fund and the Underlying Fund

The Fund, via its investment in the Underlying Fund, employs an opportunistic, dynamic and unconstrained global credit investments strategy based on absolute and relative value considerations and its analysis of credit markets. It seeks risk-adjusted returns over full market cycles by creating and managing a portfolio with balanced exposures to multiple industry sectors and geographic regions, systematically allocating capital across multiple segments of the global fixed-income markets, including U.S. and non-U.S. credit instruments.

The Underlying Fund invests primarily in a portfolio of directly originated loans, secured floating and fixed rate Syndicated Loans, Corporate Bonds, asset-backed securities, commercial real estate loans and other types of credit instruments, which, under normal circumstances, will represent at least 80% of the Underlying Fund's Managed Assets. Other "credit instruments" may include commercial real estate mezzanine loans, real estate mortgages, distressed securities, notes, bills, debentures, bank loans, convertible and preferred securities, government and municipal obligations. The Underlying Fund may also invest in foreign instruments and illiquid and restricted securities.

The key features of the investment strategy include:

Opportunistic, Flexible, Unconstrained Credit Investments Strategy: The Advisers intend to employ an opportunistic, flexible and unconstrained global credit investments strategy based on absolute and relative value considerations and their analysis of the credit markets.

Relative Value Focus: A primary driver of the Underlying Fund's investment strategy will be a relative value focus whereby the Advisers seek to identify market dislocations.

Access to Ares Transaction Flow: The Advisers intend to benefit from the market presence, scale, infrastructure and demonstrated investment experience of Ares to gain access to transaction flow and a broad set of investment opportunities across the non-investment grade credit spectrum.

Active Monitoring and Investing, with Bottom-Up and Top-Down Credit Analysis by Deep and Experienced Team: The Advisers will actively construct and manage a portfolio of credit investments and, as necessary, periodically rebalance the Underlying Fund's allocation of assets among different types of credit investments utilising the Advisers' strategies to seek to optimise the Underlying Fund's allocation to achieve the Underlying Fund's investment objective under the market conditions existing at such time.

Summary of certain risks of an investment in the Fund

The below is a non-exhaustive summary of certain risks associated with an investment in the Fund. Please refer to 'Risks of investing in managed investment schemes' for a more detailed overview of the risks of investing in the Fund. Prospective investors must obtain independent professional advice to determine if an investment in the Fund is suitable in light of their financial situation, objectives and needs.

- **Counterparty Risk:** The Fund and the Underlying Fund are, to a certain extent, reliant on external providers in connection with its operation and investment activities. There is a risk with these arrangements that the other party to a contract (such as Derivatives contract, physical security or foreign exchange contract trade) may fail to perform its contractual obligations either in whole or part (refer to 'Credit risk' for more information). In such circumstances, any collateral lodged with counterparties related to these Derivatives may also be at risk. This may result in the investment activities of the Fund being adversely affected.
- **Credit risk:** The risk that the issuer of the fixed interest security (i.e. direct loan, asset backed security, corporate debt, corporate loan or derivative counterparty) is unable or unwilling to make interest and/or capital repayments in full and/or on time, or may not meet other financial obligations. Fixed income securities are subject to legal, political, macro-economic, industry and business risks which may lead to a loss of capital or interest payments. Losses may be complete or partial and may occur at any time depending on the extent of financial deterioration, the position of the fixed income security in the capital structure of the issuer or whether the fixed income security has security of assets in the case of default.
  Fixed income securities may be assigned a credit rating from rating agencies such as Standard and Poor's or Moody's Investor Services. A credit rating is only an opinion of creditworthiness that is subject to change. Credit risk is generally considered to be lower with investment grade credit quality fixed income securities and moves increasingly higher, the further down the credit quality spectrum.
  Deterioration in the creditworthiness of an issuer is likely to lead to volatility in the fixed income security secondary market price. A downgrade in credit rating may impact the spread causing the value of a fixed income security to fall.
- **Underlying fund risk:** Underlying Fund risk refers to specific risks associated with the Underlying Fund, such as termination, changes to fees and expenses and government policies. The Underlying Fund may be closed to further investments and/or be terminated.
  The Underlying Fund is governed by the terms of its constituent documents, offer document and other laws. The Underlying Fund, its underlying assets and/or its investment strategy and objective may be may also be adversely affected by changes in government policies (including taxation), regulations and laws.
- **Gearing risk:** The use of borrowed money or gearing within the Underlying Fund will increase investment exposure and can magnify the potential gains and losses from investments and increase the volatility of the Underlying Fund's total return. Gearing also increases the risk of the Underlying Fund not meeting the financial obligations of the borrowing, including but not limited to the cost of the borrowing and refinancing risk.
- **Liquidity and withdrawal risk:** the Fund, by virtue of its investment in the Underlying Fund is exposed to assets that are not readily liquid. Whilst for the purposes of the Corporations Act, the Fund is liquid as at the date of this PDS, the Underlying Fund may not always be able to readily dispose of its investments to meet withdrawal requests. This means that there may be circumstances where the Responsible Entity is not always able to redeem all or a portion of its investment in the Underlying Fund, which may restrict your ability to withdraw from the Fund. There is no right to withdraw from the Fund and the Responsible Entity may reject redemption requests from investors in the Fund.

About the Fund and the Underlying Fund

Structure of the Fund

The Fund is a registered managed investment scheme and is governed by the Fund's constitution, the Corporations Act and general law.

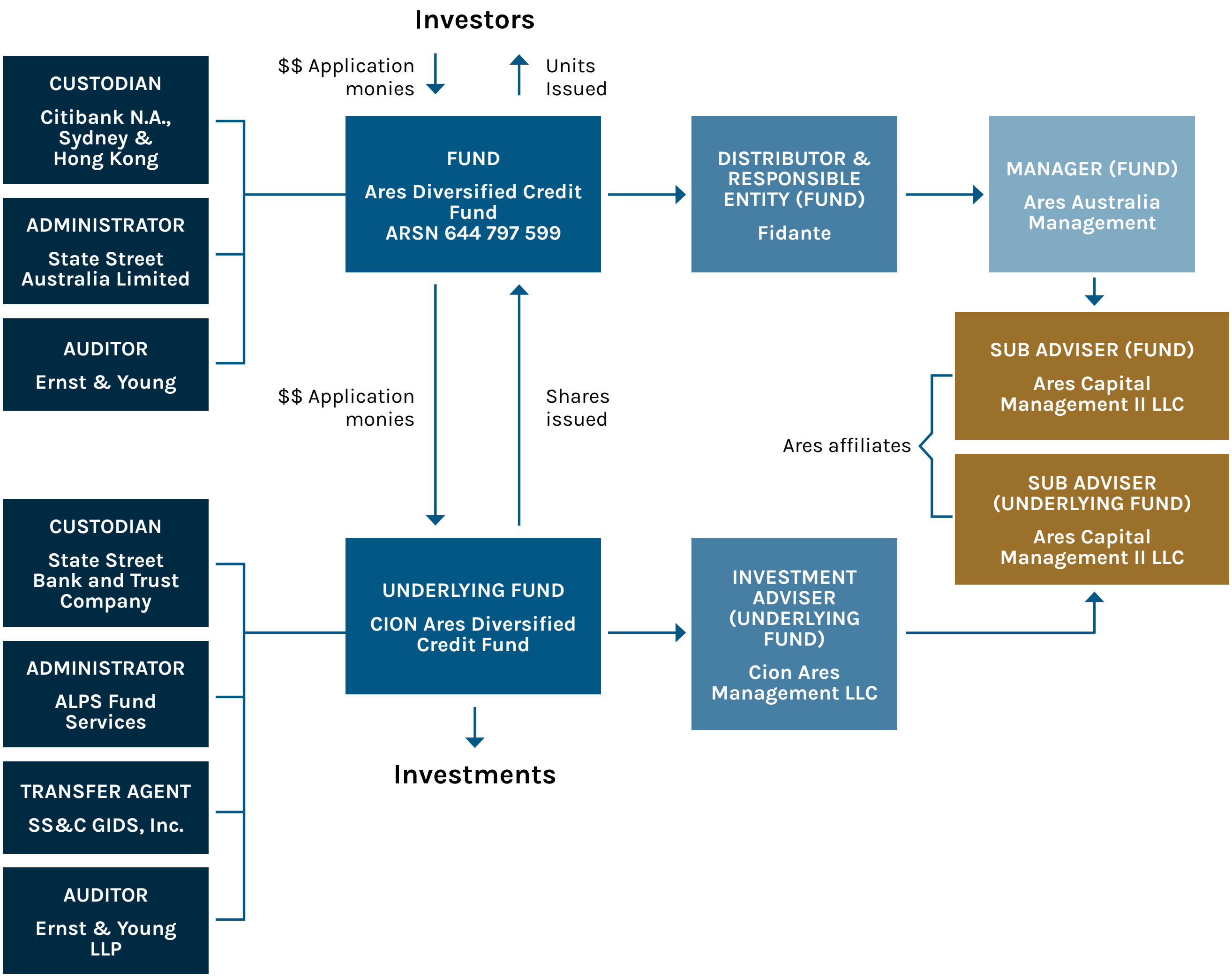
The diagram below shows the key entities involved in the Fund, their relationship to each other, their roles and the flow of investment money through the Fund as at the date of this report.

The Fund gains its investment exposure by investing in Class I of the CION Ares Diversified Credit Fund (Underlying Fund), cash and foreign currency exchange hedging instruments. In this PDS, where we refer to the Fund's investments we generally do so on a 'look through' basis; that is, we are referring to the underlying assets that the Fund is exposed to through its investment in the Underlying Fund.

Investors in the Fund receive units when they invest. In general, each unit represents an investor's interest in the assets of the Fund as a whole subject to liabilities. However, it does not give the investor an interest in any particular asset of the Fund.

Structure of the Underlying Fund

The Underlying Fund is a U.S. Delaware statutory trust registered under the Investment Company Act of 1940 (**1940 Act**), as a diversified, closed-end management investment company (Regulated Investment Company). The Underlying Fund is a continuously-offered unlisted closed-end interval fund.



FEATURES AT A GLANCE

		Refer to Section
Fund currency	The Fund is denominated in Australian dollars.	'Making, withdrawing and monitoring your investment'
Minimum transaction requirements[1]	The Fund only accepts investments from institutional, wholesale and sophisticated investors (as defined by the Corporations Act), or, investors which have received personal advice as outlined in the Fund's TMD.	
Initial investment	$100,000	
Additional investment	No minimum.	
Minimum withdrawal	No minimum.	
Minimum balance	No minimum.	
Indirect Investors	If you are an Indirect Investor, you need to comply with any minimum transaction and balance requirements of your platform operator.	
Fees, costs & Expenses		
Management fees and costs	The estimated management fees and costs of the Fund are 2.41% of the net asset value of the Fund.	'Fees and other costs'
Performance/ incentive fee	No performance fee is payable in respect of units offered under this PDS. However. performance fees (also known as Incentive Fees) may be payable indirectly to the Underlying Fund. Underlying Fund: The Underlying Fund's incentive fee is calculated and payable quarterly in arrears based upon 'pre-incentive fee net investment income' attributable to each class of the Underlying Fund's common shares for the immediately preceding fiscal quarter, and is subject to a hurdle rate, expressed as a rate of return based on each class' 'average daily net asset value (calculated in accordance with Generally Accepted Accounting Principles (**GAAP**)), equal to 1.50% per quarter (or an annualised hurdle rate of 6.00%), subject to a "catch-up" feature. The "catch-up" feature provides the Underlying Fund's Adviser with an incentive fee of 15% on each class' 'pre-incentive fee net investment income' of any of that class' pre-incentive fee net investment income that exceeds 1.765% of the class' average daily net asset value (calculated in accordance with GAAP) in any fiscal quarter (7.06% annualized). The Underlying Fund's incentive fee will be reflected in the share price of the Underlying Fund.	
Buy/sell spread	0.10%/0.00% of the investment and withdrawal amount. This amount may change if the estimate of the underlying transaction costs changes or if a buy/sell spread is applied at the Underlying Fund, which will be notified to investors on the Fidante website. Underlying Fund: Nil	
Risks of investing in the Fund	A degree of risk applies to all types of investments, including investments in the Fund. The significant risks are described in 'Risks of investing in managed investment schemes'.	'Risks of investing in managed investment schemes'

1. We may, at our discretion, accept lower minimum transaction and balance amounts.

		Refer to Section
Making and withdrawing your investment		'Making, withdrawing and monitoring your investment'
Applications	Generally, you can invest **daily** subject to certain limits in the Constitution and this PDS.	
Withdrawals	Generally, the Responsible Entity intends to process withdrawals **quarterly**, in line with the quarterly repurchase offer of the Underlying Fund outlined below. The Underlying Fund offers a share repurchase program whereby it makes quarterly offers to repurchase between 5% and 25% of its outstanding shares at NAV (**Repurchase Offer**). In connection with any given Repurchase Offer, we expect the Underlying Fund will offer to repurchase only the minimum amount of 5% of its outstanding shares. Repurchase Offers by the Underlying Fund occur in the months of March, June, September and December. As a result, the Fund's withdrawal requests are generally expected to be processed quarterly (**Withdrawal Period**) to align with the Repurchase Offer. Withdrawal requests must be received by the Responsible Entity no later than 3.00pm (Sydney time) on the last NSW business day of a quarter for processing in the next quarter (**Withdrawal Request Deadline**). The date on which a withdrawal (or a portion of the withdrawal) will be accepted or rejected (**Withdrawal Effective Date**) will be determined by the Responsible Entity by reference to the date of the relevant Repurchase Offer. As a result, the Withdrawal Effective Date can vary from quarter to quarter but is generally expected to occur on or around the 15th NSW business day of the first month of each calendar quarter. For each Withdrawal Period, the Responsible Entity may determine a maximum amount of withdrawal proceeds available from the Fund (**Maximum Amount**). If the aggregate amount of withdrawal requests received by the Responsible Entity in a Withdrawal Period exceeds the Maximum Amount, the Responsible Entity will accept (and subsequently process) withdrawal requests on a pro-rata basis. In this instance, you will receive a pro-rata amount referable to your percentage of the Maximum Amount. Any unmet portion of an investor's withdrawal request will be cancelled and the investor will be required to submit a withdrawal request in the following Withdrawal Period if they wish to withdraw the unmet portion (**New Withdrawal Request**). The New Withdrawal Request will be processed in accordance with the usual withdrawal processes for that Withdrawal Period. Under the Constitution, the Responsible Entity has the discretion to accept or reject a withdrawal request and, if the request is accepted, it has a maximum period of 3.5 years from the Withdrawal Effective Date to process that withdrawal. Under the Constitution, the Responsible Entity must pay withdrawal proceeds within 21 days after the date on which the withdrawal request is processed. These withdrawal provisions will apply while the Fund is liquid as defined in the Corporations Act. If the Fund at any time is not liquid, you may only withdraw when we make an offer to withdraw to all investors, as required by the Corporations Act. Please see 'Withdrawal risk' in the section 'Risk factors' for more information.	Section 'Investing in the Fund'
Application transaction cut-off times	Valid requests must be received by us prior to 3:00pm (Sydney time) on a NSW business day to be processed that day.	'Making, withdrawing and monitoring your investment'

		Refer to Section
Withdrawal transaction cut-off times	Valid withdrawal requests received by us prior to 3:00pm (Sydney time) on the last NSW business day of the quarter (**Withdrawal Request Deadline**) will be accepted or rejected on the relevant Withdrawal Effective Date. Valid withdrawal requests will usually be processed using the unit price determined as at the applicable Withdrawal Effective Date.	'Making, withdrawing and monitoring your investment'
Distribution payments		
Frequency	The Fund generally pays distributions monthly; however, there may be periods in which reduced or no distributions are paid and we do not guarantee any level of distributions.	'Additional information'
Payment methods	Reinvested into the Fund as additional units or paid to your nominated account. For Indirect Investors, distributions will be paid to your platform operator as soon as practicable after the end of the distribution period.	
Valuations and pricing		
Valuing the Fund's assets	The Fund's assets are usually valued each NSW business day. The assets of the Fund are valued by Fidante Partners. The net asset value (**NAV**) of the Fund is calculated on each business day in accordance with the Constitution. The NAV is the value of all the Fund's assets, which will incorporate the last available NAV of the Underlying Fund and the value of any directly held investments (e.g. cash and FX instruments), less any liabilities of the Fund. The NAV per unit is calculated by dividing the NAV of the Fund by the number of units on issue in the Fund.	'Additional information'
Unit pricing	Unit prices are based on the NAV of the Fund, which is adjusted by any applicable transaction costs, and that amount is divided by the number of units on issue in the Fund. Unit prices are usually calculated each NSW business day.	'Additional information'
Investor reporting		
Transaction confirmations	We generally send transaction confirmations for investments and withdrawals.	'Making, withdrawing and monitoring your investment'
Regular reporting	We send quarterly periodic statements with details of transactions and fees paid.	
Annual tax reporting	We send an annual tax statement.	
ASIC Benchmarks and Disclosure Principles	ASIC has developed two benchmarks and nine disclosure principles for funds that meet ASIC's definition of a hedge fund. These benchmarks and disclosure principles are aimed at assisting investors to understand the risks and features of these funds and whether such investments are suitable to them. The benchmarks deal with the valuation of assets and periodic reporting policy of the Fund and Underlying Fund, while the disclosure principles provide information on the Fund's investment strategy, investment manager and structure as well as further detail on the Fund and Underlying Fund's use of derivatives, leverage, short selling and the risks to withdrawals and liquidity.	'ASIC Benchmarks and Disclosure Principles'

ASIC Benchmarks and Disclosure Principles

The ASIC Benchmarks and Disclosure Principles are aimed at assisting investors to understand the risks of investing in hedge funds and assess whether such investments are suitable for them.

The following table provides a summary of the benchmarks and disclosure principles addressed in this PDS. Further information relating to each benchmark and disclosure principle is set out in the ASIC Benchmarks and Disclosure Principles Report (**Benchmark Report**), which also forms part of this PDS, available at https://fidante.com/au/ARES-ABR-DCF-I.pdf.

The information in the Benchmark Report will be updated periodically. A copy of the Benchmark Report and any updated information is available on the Fidante website or will be given to you, without charge, upon request by calling our Fidante Investor Services Team on 1300 721 637.

ASIC Benchmark	Description	Summary	Reference
ASIC Benchmark 1: Valuation of assets	This benchmark is intended to support investor confidence in the value of the non-exchange traded assets of the Fund & Underlying Fund by addressing whether valuations of a fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.	This benchmark is met as the Responsible Entity has in place a policy to ensure valuations of the non-exchange traded assets will be provided by an independent external provider.	For additional information in relation to the valuation of assets, please refer to 'Benchmark 1: Valuation of assets' in the Benchmark Report as well as 'Unit prices and valuing assets and liabilities' in this PDS.
ASIC Benchmark 2: Periodic Reporting	This benchmark is aimed at ensuring that investors receive timely, basic fund investment performance information on a periodic basis to make informed investment decisions.	This benchmark is met as the Responsible Entity has implemented a policy to provide detailed periodic updates to investors on certain key information in relation to the Fund on a quarterly and monthly basis as required.	For additional information in relation to periodic reporting, please refer to 'Benchmark 2: Periodic reporting' in the Benchmark Report as well as 'Monitoring your investment' in this PDS.

ASIC Benchmark	Description	Summary	Reference
ASIC Disclosure Principle 1: Investment strategy	This disclosure principle is intended to ensure that investors can make informed decisions about the Fund by disclosing details of the investment strategy for the Fund and Underlying Fund, including the type of strategy, how it works in practice and how risks are managed.	The Fund aims to provide superior risk adjusted returns across various market cycles by investing in a diversified portfolio of liquid and illiquid asset classes throughout the global credit spectrum. The Fund, via its investment in the Underlying Fund, employs an opportunistic, dynamic and unconstrained global credit investments strategy based on absolute and relative value considerations and its analysis of credit markets. It seeks risk-adjusted returns over full market cycles by creating and managing a portfolio with balanced exposures to multiple industry sectors and geographic regions, systematically allocating capital across multiple segments of the global fixed-income markets, including U.S. and non-U.S. credit instruments. The Fund, through its exposure to the Underlying Fund, will invest primarily in a portfolio of directly originated loans, secured floating and fixed rate Syndicated Loans, Corporate Bonds, asset-backed securities, commercial real estate loans and other types of credit instruments, which, under normal circumstances, will represent at least 80% of the Underlying Fund's Managed Assets. Other "credit instruments" may include commercial real estate mezzanine loans, real estate mortgages, distressed securities, notes, bills, debentures, bank loans, convertible and preferred securities, government and municipal obligations. The Underlying Fund may also invest in foreign instruments and illiquid and restricted securities. The Underlying Fund may utilise a number of investment strategies, including using leverage and taking short positions.	For additional information in relation to the investment strategy, please refer to 'Disclosure principle 1: Investment strategy' in the Benchmark Report and 'How we invest your money' and 'Risks of investing in managed investment schemes' in this PDS.
ASIC Disclosure Principle 2: Investment manager	This disclosure principle is intended to ensure that investors have the necessary information about the people responsible for managing the Fund and Underlying Fund's investments, as well as arrangements between the responsible entity and any investment manager.	As Responsible Entity of the Fund, Fidante has appointed AAM as the investment manager of the Fund to invest and manage the Fund's portfolio. Ares Capital Management II LLC (Ares Capital) has been appointed by AAM as the sub-adviser of the Fund. As Responsible Entity of the Fund, Fidante is entitled to terminate the investment manager's appointment in writing, with a minimum 20 business days' written notice.	For additional information in relation to the investment manager, please refer to 'Disclosure Principle 2: Investment manager' in the Benchmark Report.

ARES | WEALTH MANAGEMENT SOLUTIONS

ASIC Benchmark	Description	Summary	Reference
ASIC Disclosure Principle 3: Fund structure	This disclosure principle is intended to ensure that the investment structures involved, the relationships between entities in the structure, fees and other costs payable to the Responsible Entity and investment manager, jurisdictions involved, the due diligence performed on underlying funds, and the related party relationships within the structure are explained.	The Fund is an unlisted open-ended unit trust registered as a managed investment scheme under the Corporations Act. The Fund gains its investment exposure by investing in the CION Ares Diversified Credit Fund (Underlying Fund), cash and foreign currency exchange hedging instruments. The Underlying Fund is a U.S. Delaware statutory trust registered under the Investment Company Act of 1940, as a diversified, closed-end management investment company (Regulated Investment Company). The Underlying Fund is a continuously-offered unlisted closed-end interval fund. There are a number of service providers that support the Fund such as Fidante (the Responsible Entity of the Fund), Boardroom Pty Limited who acts as the Fund's registry provider and Citibank N.A., Hong Kong Branch (Citi) who acts as custodian of the Fund. The key service providers of the Underlying Fund include CAM (the investment adviser), ALPS Fund Services (the administrator) and State Street Bank and Trust Company (the custodian). The Responsible Entity has entered into separate agreements with each of its service providers which set out the terms and conditions of the relationship, as well as the consequences of any breaches to the terms of the relationship. The Responsible Entity may enter into transactions with, and use the services of, any of our related entities. These arrangements will be based on arm's length commercial terms. The keys risks to the Fund's structure are counterparty risk, currency risk & hedging risk, fund risk and liquidity and withdrawal risk.	For additional information in relation to the Fund structure, please refer to 'Disclosure Principle 3: Fund structure' in the Benchmark Report and 'Risks of investing in managed investment schemes' in this PDS.
ASIC Disclosure Principle 4: Valuation, location and custody of assets	This disclosure principle is intended to ensure that the Responsible Entity of the Fund discloses the types of assets held, where they are located, how they are valued and the custodial arrangements.	The Fund's assets are shares in the Underlying Fund, cash and foreign currency exchange hedging instruments. The Fund's assets and liabilities are usually valued each NSW business day, based on the NAV of the Underlying Fund. Cash is valued at recoverable value. Generally, for unit pricing purposes, liabilities are valued at cost. Liabilities also include an accrual for management costs and for costs (if any) that an investor would ordinarily incur when investing in the Fund's underlying assets. The cash assets of the Fund are held in custody by Citi, the custodian, located globally. The custodian of the Underlying Fund is the State Street Bank and Trust Company.	For additional information in relation to the valuation of assets in the Fund, please refer to 'Disclosure principle 4: Valuation, location and custody of assets' in the Benchmark Report, 'How we invest your money' and 'How unit prices are calculated' in this PDS.

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ASIC Benchmark	Description	Summary	Reference
ASIC Disclosure Principle 5: Liquidity	This disclosure principle is intended to ensure that investors are made aware of the Fund's ability to realise its assets in a timely manner and the risks of illiquid classes of assets.	Due to the illiquid nature of the Underlying Fund's investments, the Fund's direct investments in the Underlying Fund cannot reasonably be expected to be realised at the value ascribed to them in calculating the Fund's most recent NAV, within 10 calendar days. The Underlying Fund is an 'interval fund', a type of fund which, to provide some liquidity to its shareholders, makes quarterly offers to repurchase between 5% and 25% of its outstanding shares at NAV.	For additional information in relation to liquidity, please refer to 'Disclosure Principle 5: Liquidity' in the Benchmark Report.
ASIC Disclosure Principle 6: Leverage	This disclosure principle is intended to ensure that investors are made aware of the maximum anticipated and allowed level of leverage of the Fund (including leverage embedded in the assets of the Fund).	While AAM will not generally borrow on behalf of the Fund to invest, the Fund may enter into borrowing arrangements for the purposes of satisfying margining requirements or funding obligations in connection with its use of derivatives for foreign exchange hedging purposes. The borrowing arrangement will be utilised to fund any hedging costs that cannot be satisfied while awaiting withdrawal proceeds from the Underlying Fund. It is expected that any borrowing arrangement will not exceed more than 20% of the overall size of the net asset value of the Fund when entered into. The Underlying Fund's use of borrowing and derivatives may cause the nominal investment exposure of the Underlying Fund to exceed 100% of the value of the Underlying Fund's assets. Under the terms of the Underlying Fund, leverage is restricted to 33.33% of the market value of the Underlying Fund's total assets, or 50% of net assets. The Underlying Fund may obtain leverage by issuing preferred shares and/or notes and it may also borrow funds from banks and other financial institutions. The leverage in the Underlying Fund is continually monitored by its Advisers to ensure it is in accordance with the Underlying Fund's investment objective and within the prescribed threshold. The Fund does not impose any additional policies or restrictions on the leverage of the Underlying Fund.	For additional information in relation to the use of leverage in the Fund, please refer to 'Disclosure Principle 6: Leverage' in the Benchmark Report and 'Additional information about the Fund's investments' in this PDS.

ASIC Benchmark	Description	Summary	Reference
ASIC Disclosure Principle 7: Derivatives	This disclosure principle is intended to ensure that investors are made aware of the purpose and types of derivatives used by the Responsible Entity, investment manager or Sub-Adviser, and of the associated risks.	The Fund and the Underlying Fund may at times invest in or obtain exposure to Derivatives, such as futures and options, foreign exchange forwards and swaps. The Fund will primarily use Derivatives to hedge currency exposures. The use of Derivatives may expose the Fund to certain risks. The Underlying Fund will use Derivatives in seeking to achieve its investment objective or for other reasons, such as cash management, financing activities or to hedge its positions. The main risks to the Fund as a consequence of dealing in Derivatives are counterparty risk and derivative risk (including the risks relating to the collateral requirements of derivative instruments).	For additional information in relation to how Derivatives are used in the Fund, please refer to 'Disclosure Principle 7: Derivatives' in the Benchmark Report, and 'Risks of investing in managed investment schemes' in this PDS.
ASIC Disclosure Principle 8: Short selling	This disclosure principle is intended to ensure that investors are made aware of how short selling may be used as part of the investment strategy, and of the associated risks and costs of short selling.	The Fund does not permit short selling. The Underlying Fund has the ability to use short selling. Examples of how the Underlying Fund may use short selling include: to reduce the risk in a particular sector by short selling a credit index; and taking a position in a single name credit default swap. Short selling may expose the Fund to risks such as short position risk, liquidity risk and counterparty risk.	For additional information in relation to how short selling is used in the Fund, please refer to 'Disclosure Principle 8: Short selling' in the Benchmark Report, and 'Risks of investing in managed investment schemes' in this PDS.
ASIC Disclosure Principle 9: Withdrawals	This disclosure principle is intended to ensure that investors are made aware of the circumstances in which the Fund allows withdrawals and how these might change.	Generally, you can request a withdraw quarterly, in line with the quarterly repurchase offer of the Underlying Fund. The Underlying Fund offers a share repurchase program whereby it makes quarterly offers to repurchase between 5% and 25% of its outstanding shares at NAV (Repurchase Offer). In connection with any given Repurchase Offer, we expect the Underlying Fund will offer to repurchase only the minimum amount of 5% of its outstanding shares. Repurchase Offers by the Underlying Fund occur in the months of March, June, September and December. These withdrawal provisions will apply while the Fund is liquid as defined in the Corporations Act. If the Fund at any time is not liquid, you may only withdraw when we make an offer to withdraw to all investors, as required by the Corporations Act.	For additional information in relation to withdrawals from the Fund, please refer to 'Disclosure Principle 9: Withdrawals' in the Benchmark Report and 'Additional information about withdrawing your investment' in this PDS.

HOW WE INVEST YOUR MONEY

About the Fund

Investment Return Objective	The Fund's investment objective is to provide superior risk adjusted returns across various market cycles by investing in a diversified portfolio of liquid and illiquid asset classes throughout the global credit spectrum. In this PDS, where we refer to the Fund's investments we generally do so on a look through basis, that is, we are referring to the underlying assets that the Fund is exposed to through the investment in the CION Ares Diversified Credit Fund (Underlying Fund).
Minimum Suggested Timeframe	At least 5 years. We recommend that you consider, with your financial adviser, the suggested investment period for the Fund in relation to your investment timeframe.
Risk Level	Lower risk Typically, lower rewards Higher risk Typically, higher rewards 1 2 3 4 **5** 6 7 Refer to 'Additional information about the Fund's investments' for further information about the Fund's risk.
Investment Strategy and Universe	The Fund, via its investment in the Underlying Fund, seeks to employ an opportunistic, flexible and untethered global credit investments strategy based on absolute and relative value considerations and its analysis of credit markets. It seeks risk-adjusted returns over full market cycles by creating and managing a portfolio with balanced exposures to multiple industry sectors and geographic regions, systematically allocating capital across multiple segments of the global fixed-income markets, including U.S. and non-U.S. credit instruments. The Underlying Fund may also invest in foreign instruments and illiquid and restricted securities. The Underlying Fund may utilise a number of investment strategies, including using leverage and taking short positions. The Fund seeks to be as fully invested in the Underlying Fund as possible.
Currency Strategy	The Fund aims to fully hedge its foreign currency exposures, primarily its exposure to the Underlying Fund, through the use of currency exchange forwards.
Strategic Asset allocation ranges of the Fund	The Fund is authorised to hold shares in the Underlying Fund, cash and foreign currency exchange hedging instruments. The Fund aims to be fully invested in the Underlying Fund. If market movements, investments into or withdrawals from the Fund, or changes in the nature of an investment, cause the Fund to move outside these ranges, or a limit set out in this PDS, this will be addressed by us or Ares as soon as reasonably practicable.
Labor standards or environmental, social or ethical considerations	The Responsible Entity does not itself take into account labour standards and environmental, social and ethical considerations for the purpose of selecting, retaining or realising investments of the Fund. However, Ares does take into account labour standards and environmental, social and ethical considerations when selecting, retaining or realising underlying investments in the Underlying Fund. Ares' consideration of these factors is detailed further in 'Additional information about the Fund's investments'.
Changes to investment policy	The Constitution permits a wide range of investments and gives us, as Responsible Entity, broad investment powers. We may change the investment manager and/or vary the investment objectives, strategies, benchmarks, asset allocation ranges and processes of the Fund. We will give unitholders written notice of any material variation which we believe they would not have reasonably expected.

About the Underlying Fund

Manager of the Underlying Fund	The investment adviser to the Underlying Fund is CION Ares Management LLC (**CAM**). The investment Sub-Adviser to the Underlying Fund is Ares Capital Management II LLC.
Investment Opportunities and strategies of the Underlying Fund	The Underlying Fund invests primarily in a portfolio of directly originated loans, secured floating and fixed rate Syndicated Loans, Corporate Bonds, asset-backed securities, commercial real estate loans and other types of credit instruments, which, under normal circumstances, will represent at least 80% of the Underlying Fund's Managed Assets. Other "credit instruments" may include commercial real estate mezzanine loans, real estate mortgages, distressed securities, notes, bills, debentures, bank loans, convertible and preferred securities, government and municipal obligations. The Underlying Fund may also invest in foreign instruments and illiquid and restricted securities. The Underlying Fund invests primarily in those countries where creditors' rights are protected by law, such as countries in North America and Western Europe, although in select situations the Underlying Fund may invest in securities of issuers domiciled elsewhere. The geographic areas of focus are subject to change from time to time and may be changed without notice to Shareholders. There is no minimum or maximum limit on the amount of the Underlying Fund's assets that may be invested in non-U.S. securities.
Portfolio Composition	The Underlying Fund's portfolio will consist of a combination of the following types of investments: **Direct Lending** The Underlying Fund may invest in first lien senior secured loans (including "unitranche" loans, which are loans that combine both senior and mezzanine debt, generally in a first lien position), second lien senior secured loans and mezzanine debt, which in some cases includes an equity component, of U.S. and European middle-market companies, where the Advisers believe the supply of primary capital is limited and the investment opportunities are most attractive. These investments are typically made to companies with annual EBITDA between $10 million and $250 million. As used herein, EBITDA represents net income before net interest expense, income tax expense, depreciation and amortisation. **Syndicated Loans** Senior, secured corporate loans (**Syndicated Loans**) generally benefit from liens on collateral, are rated below-investment grade and typically pay interest at rates that are determined periodically on the basis of a floating base lending rate, primarily the Secured Overnight Financing Rate or another reference rate, plus a spread. Syndicated Loans are typically made to U.S. and, to a lesser extent, non-U.S. corporations, partnerships, limited liability companies and other business entities (together with issuers of Corporate Bonds (as defined below) and other debt securities, (**Borrowers**) which operate in various industries and geographical regions. Borrowers may obtain Syndicated Loans, among other reasons, to refinance existing debt, engage in acquisitions, pay dividends, recapitalise, complete leveraged buyouts and for general corporate purposes. Syndicated Loans rated below investment grade are sometimes referred to as "leveraged loans". The Underlying Fund may invest in Syndicated Loans through assignments of or, to a lesser extent, participations in Syndicated Loans. The Underlying Fund may utilise various types of derivative instruments (**Derivatives**), including total return swaps for the purpose of gaining exposure to Syndicated Loans. **Corporate Bonds** An issuer of Corporate Bonds typically pays the investor a fixed rate of interest and must repay the amount borrowed on or before maturity. The investment return of Corporate Bonds reflects interest on the security and changes in the market value of the security. The market value of a Corporate Bond generally may be expected to rise and fall inversely with interest rates. The value of intermediate – and longer-term Corporate Bonds normally fluctuates more in response to changes in interest rates than does the value of shorter-term Corporate Bonds. The market value of a Corporate Bond also may be affected by investors' perceptions of the creditworthiness of the issuer, the issuer's performance and perceptions of the issuer in the market place. There is a risk that the issuers of Corporate Bonds may not be able to meet their obligations on interest or principal payments at the time called for by an instrument. The Underlying Fund may utilise various types of Derivatives, including swaps, for the purpose of gaining exposure to Corporate Bonds.

Portfolio Composition (continued)	**Structured Credit** The Underlying Fund may invest in asset-backed opportunities across broad sectors such as consumer and commercial specialty finance and corporate credit. The Underlying Fund will target investment opportunities that are directly originated and privately negotiated that may include (i) financings secured by pools of consumer loans, commercial loans or real estate assets; (ii) the outright purchase of pools of consumer loans, commercial loans or real estate assets; and (iii) debt and equity investments in U.S.-dollar-denominated collateralised loan obligations (**CLOs**) that are primarily backed by corporate leveraged loans issued to primarily U.S. obligors (**U.S. CLOs**), as well as Euro-denominated CLOs that are backed primarily by corporate leveraged loans issued to primarily European obligors (**European CLOs**). The investments in the "equity" of structured credit products (including CLOs) refers to the junior-most or residual debt tranche of such structured credit products (i.e., the tranche whose rights to payment are not senior to any other tranche, which does not typically receive a credit rating and is typically not secured (and is also typically referred to as subordinated notes, income notes, preferred shares or preferred securities, or, more generally, as "equity")) (**the Residual Tranche**). The CLO equity tranches (or other similar junior tranches) and privately issued asset-backed securities in which the Underlying Fund invests may be highly leveraged, which magnifies the Underlying Fund's risk of loss on such investments. **Stressed Investments** The Underlying Fund may invest in Syndicated Loans and Corporate Bonds and other obligations of companies, referred to herein as "Stressed Issuers," that may be in some level of financial or business distress, including companies involved in, or that have recently completed, bankruptcy or other reorganisation and liquidation proceedings. These investments may include (i) corporate debt instruments relating to stressed and distressed industries or issuers; (ii) rescue-capital opportunities; (iii) public and private stock issued in connection with restructurings and reorganizations or otherwise (**post-reorganisation securities**); and (iv) other opportunistic investments resulting from periods of market dislocation. **Commercial Real Estate Loans** Senior Mortgage Loans: These mortgage loans are typically secured by first liens on commercial properties, including the following property types: office, multifamily, retail, industrial, hospitality and mixed-use. In some cases, first lien mortgages may be divided into an A-Note and a B-Note. The A-Note is typically a privately negotiated loan that is secured by a first mortgage on a commercial property or group of related properties that is senior to a B-Note secured by the same first mortgage property or group. Subordinated Debt: These loans may include structurally subordinated first mortgage loans and junior participations in first mortgage loans or participations in these types of assets. As noted above, a B-Note is typically a privately negotiated loan that is secured by a first mortgage on a commercial property or group of related properties and is subordinated to an A-Note secured by the same first mortgage property or group. The subordination of a B-Note or junior participation typically is evidenced by participations or intercreditor agreements with other holders of interests in the note. B-Notes are subject to more credit risk with respect to the underlying mortgage collateral than the corresponding A-Note. Preferred Equity: Real estate preferred equity investments are subordinate to first mortgage loans and are not collateralised by the property underlying the investment. As a holder of preferred equity, the Underlying Fund seeks to enhance its position with covenants that limit the activities of the entity in which the Underlying Fund has an interest and protect the Underlying Fund's equity by obtaining an exclusive right to control the underlying property after an event of default, should such a default occur on the Underlying Fund's investment.

Portfolio Composition (continued)	Mezzanine Loans: Like B-Notes, these loans are also subordinated, but are usually secured by a pledge of the borrower's equity ownership in the entity that owns the property or by a second lien mortgage on the property. In a liquidation, these loans are generally junior to any mortgage liens on the underlying property, but senior to any preferred equity or common equity interests in the entity that owns the property. Investor rights are usually governed by intercreditor agreements. **Other Investment Strategies** The Underlying Fund may also invest in commercial real estate mezzanine loans, real estate mortgages, distressed securities, notes, bills, debentures, bank loans, convertible and preferred securities, government and municipal obligations and other credit instruments with similar economic characteristics. In addition, from time to time, the Underlying Fund may invest in or hold common stock and other equity securities incidental to the purchase or ownership of a Syndicated Loan or Corporate Bond or in connection with a reorganization of a borrower. The Underlying Fund may engage in short sales. The Underlying Fund may also use Derivatives to gain investment exposure to credit instruments, to provide downside protection and to dampen volatility. Derivatives may allow the Underlying Fund to increase or decrease the level of risk to which the Underlying Fund is exposed more quickly and efficiently than transactions in other types of instruments. The Underlying Fund may invest in securities of other investment companies, including exchange traded funds, to the extent that these investments are consistent with the Underlying Fund's investment objective, strategies and policies and permissible under the 1940 Act or any applicable exemption therefrom. The Underlying Fund may invest in other investment companies to gain broad market or sector exposure, including during periods when it has large amounts of uninvested cash or when the Advisers believe share prices of other investment companies offer attractive values. **Other Characteristics** Below Investment Grade Credit Instruments: Most of the credit instruments in which the Underlying Fund may invest will be rated below investment grade. Securities rated below investment grade are those that, at the time of investment, are rated Ba1 or lower by Moody's Investors Service, Inc. (**Moody's**), or BB+ or lower by Standard & Poor's Corporation Ratings Group (**S&P**) or Fitch Ratings, Inc. (**Fitch**), or if unrated are determined by the Advisers to be of comparable quality. Below investment grade securities often are regarded as having predominately speculative characteristics with respect to an issuer's capacity to pay interest and repay principal. In addition, lower quality debt securities tend to be more sensitive to general economic conditions. Although many of the Underlying Fund's investments may consist of securities rated below investment grade, the Underlying Fund reserves the right to invest in credit instruments of any credit quality, maturity and duration. Foreign Instruments: The Underlying Fund may make investments in non-U.S. entities, including issuers in emerging markets. Emerging market countries are countries that major international financial institutions, such as the World Bank, generally consider to be less economically mature than developed nations, such as the United States or most nations in Western Europe. Emerging market countries can include every nation in the world except the United States, Canada, Japan, Australia, New Zealand, most countries located in Western Europe and certain other countries. The Underlying Fund expects that its investment in non-U.S. issuers will be made primarily in U.S. dollar denominated securities, but it reserves the right to purchase securities that are foreign currency denominated. Some non-U.S. securities may be less liquid and more volatile than securities of comparable U.S. issuers.

Portfolio Composition (continued)	Illiquid and Restricted Securities: The Underlying Fund may invest in instruments that, at the time of investment, are illiquid (generally, those securities that cannot be disposed of within seven days in the ordinary course of business at approximately the value at which the Underlying Fund has valued the securities). Although the Underlying Fund may invest in such instruments without limitation, pursuant to the requirements of the 1940 Act, the Board of Trustees (the Board) has adopted, and the Underlying Fund follows, procedures designed to ensure that the Underlying Fund maintains sufficient liquidity to meet its periodic repurchase obligations as an interval fund. The Underlying Fund may also invest, without limit, in securities that are unregistered (but are eligible for purchase and sale by certain qualified institutional buyers) or are held by control persons of the issuer and securities that are subject to contractual restrictions on their resale. The Underlying Fund may invest its cash balances in money market instruments, U.S. government securities, commercial paper, certificates of deposit, repurchase agreements and other high-quality debt instruments maturing in one year or less, among other instruments. In addition, and in response to adverse market, economic or political conditions, the Underlying Fund may invest in high-quality fixed income securities, money market instruments and money market funds or may hold significant positions in cash or cash equivalents for defensive purposes. Subsidiaries: The Underlying Fund may make investments through one or more direct and indirect wholly-owned subsidiaries (each a **Subsidiary** and collectively the **Subsidiaries**). The Subsidiaries will not be registered under the 1940 Act. The Board has oversight responsibility for the investment activities of the Underlying Fund, including its investment in any Subsidiary, and the Underlying Fund's role as sole direct or indirect shareholder of any Subsidiary. The Subsidiaries will be advised or managed by the Adviser and have the same investment objective as the Underlying Fund. The Underlying Fund will "look through" any such Subsidiary for purposes of compliance with its investment policies.
Investment Process	The Underlying Fund's portfolio is managed by CAM employees Mitch Goldstein, Greg Margolies and Michael Smith, who are also employees of Ares, where Mr. Goldstein and Mr. Smith are Co-Heads of the Ares Credit Group and Mr. Margolies is a Partner. In managing the portfolio, they employ two principal inputs, a quantitative allocation model and the Sub-Adviser's Allocation Committee comprised of portfolio managers and investment officers from each underlying credit discipline. The Ares model utilises a scoring system intended to quantify the following with a common scale: • four risk factors for each asset class including: – volatility: variability of price for a given security; – liquidity: extent to which an asset or security can be purchased or sold within the context of its current quoted price; – loss probability: probability of realising a loss from default; and – control premium: premium to value associated with having a controlling position in structuring and originating debt instruments; • three macroeconomic risk factors including correlation to equities, interest rate risk, and geographic/regional risk; • relative value spread basis between different asset classes, based on standard deviations in price of each asset; and • relative value of each asset class as compared to its own historical average measured by standard deviation. The Ares scoring for each asset class is then used to solve for an optimal allocation mix using a range of targeted returns. Minimum and maximum concentration and diversification limits may be applied. This output is meant as an objective measure of relative value, useful in guiding both Allocation Committee discussion and in advising Ares co-portfolio managers as to portfolio construction.

Investment Process (continued)	Allocation Committee meetings are held monthly and serve multiple ends. The forum is intended to facilitate a congress of expert opinions from across the credit spectrum. Members discuss macroeconomic trends, U.S. and global growth (or contraction), labour market trends, inflation trends, fiscal and monetary policy trends, asset valuations, liquidity conditions and investor sentiment. Each is addressed with respect to its potential effect on lending conditions and credit spreads across underlying asset classes. Consensus is not required; however, the agenda will tend to facilitate development of broad "house views" as to macroeconomic forecasts. Specific focus is given to the subject of valuation, and whether each credit asset class is priced attractively relative to its fundamental (absolute) risk and also by comparison to other credit assets. Healthy disagreement on this topic is encouraged, and particular consideration given to the spreads at which most recent loans or bonds have been underwritten by the investment teams of each asset class. The end objective is to determine which asset classes appear cheaply valued and most attractive relative to the risks inherent to each asset class. The process culminates as Mr. Goldstein, Mr. Margolies and Mr. Smith determine portfolio positioning and will decide how much of the Underlying Fund's portfolio is invested in each credit asset class. The composition and construction of each underlying asset category is then determined by the portfolio managers specific to that asset category. To the extent possible, such portfolio managers are the same as would be employed in managing a standalone fund within that underlying asset class and the pool of investment ideas from which the underlying asset category is populated would similarly be the same. All investments are either sourced from third parties or by Ares directly, but the Underlying Fund expects the majority of the Underlying Fund's investments to be directly originated by the Ares investment teams. While each underlying investment team employs its own distinct investment process tailored to that asset class, all portfolio investments undergo intensive screening, due diligence, and credit analyses focused on principal preservation and long-term value creation in market leading businesses. This ensures integrity of process down to the selection of specific companies and credits and is intended to maximise "best ideas" capture across the platform. As the allocation between various asset classes change, underlying portfolio managers are directed to monetise assets or increase their investments to raise liquidity or deploy additional investment capital.

Additional information about the Fund's investments

About the Fund's risk level

The risk level, also known as the Standard Risk Measure, is based on the estimated number of negative annual returns that a managed investment scheme may experience in any 20-year period. In other words, it is a measure of the expected variability of the return of the Fund.

The Fund's anticipated risk level is 'Medium to high risk' - the Fund offers the potential for favourable levels of return over the long term but may exhibit higher levels of volatility with the potential for capital loss over the short to medium term. The estimated number of negative annual returns in any 20-year period based on this risk level is approximately between 3 and 4. Note that this is an estimate only. Negative annual returns may or may not occur in consecutive years and, should they be negative, the estimate does not indicate the size of the potential negative return (which may vary considerably from strategy to strategy).

The stated risk levels are based on industry guidance and are designed to allow investors to compare investments with different investment strategies and characteristics. However, investment managers and investment administrators may employ different methodologies to determine a risk level and therefore may not be representative of the same considerations. Furthermore, it is not a complete assessment of the risks of investing, nor does it indicate if an investment strategy is designed to meet an investor's investment objectives.

For further information, or to ask about the methodology for determining the risk level, please call the Fidante Investor Services Team.

Currency Strategy

Hedging arrangements

The Fund intends to implement a currency hedging strategy to minimise the effects of foreign currency on both the income and capital value of the Fund. The Fund may use currency exchange forwards to implement the hedge strategy in order to hedge the impact between the Australian Dollar and the U.S. Dollar.

In respect of the income and capital value of the Fund, it is intended that hedges will be implemented on a staggered basis with varying maturity dates.

Commitments arising from the hedging strategy will aim to be met through redeeming shares in the Underlying Fund or available cash. If required, the settlement of losses may be deferred by capitalising and rolling the loss into another hedge.

It is proposed that the hedging arrangements will be entered into on behalf of the Fund by Ares Capital in its capacity as sub-adviser of the Fund as part of its investment management services provided to the Fund.

We or Ares may determine to change the hedging strategy from time to time.

The Fund's currency strategy may expose the Fund to certain risks. Please refer to 'Currency risk', 'Derivative risk' for more information.

Security arrangements

In connection with the hedging strategy, the Fund may grant a security interest to relevant trading counterparties, over the underlying assets (including shares in the Underlying Fund) and cash of the Fund instead of posting daily margins.

Authorised investments and asset allocation

Under the Fund's constitution, the Responsible Entity has the discretion to determine and may vary its investment policy for the Fund, including the assets it will hold and the asset allocation ranges. As at the date of this PDS, the Responsible Entity intends that the Fund will hold shares in the Underlying Fund, cash and foreign currency exchange hedging instruments.

The Fund gains exposure to various investment markets and asset classes by investing into the Underlying Fund.

Borrowings of the Fund

The Constitution allows for borrowing. Ares will generally not borrow on behalf of the Fund to invest, except for the purposes of satisfying margining requirements or funding obligations in connection with its use of Derivatives for foreign exchange hedging purposes. It is expected that any borrowing arrangements will not exceed more than 20% of the overall size of the net asset value of the Fund when entered into. The Fund may also borrow from time to time to cover short-term cash flow needs or if emergency or extraordinary situations arise. Borrowings may be from a variety of sources, including related entities. Where funds are borrowed from related entities, the terms are set on a commercial and arm's length basis and will be for reasonable remuneration.

The availability and terms of borrowings are subject to the market for borrowings (including market conditions in debt and other markets) and therefore borrowings may not always be available. Lenders may refuse to provide borrowings, renew an existing borrowing facility or refuse to renew on commercially acceptable terms. This may be for reasons specific to the Fund or due to market-wide events.

We or Ares may change the lending financial institution (if any) from time to time and may also seek to vary the terms of any borrowing facility where it is believed to be in the best interests of unitholders.

The Underlying Fund may borrow for investment and other general corporate purposes. Refer to 'Gearing and Leverage' below for more information.

Allocation of investments

Because of the size of the Ares investment management business some investment opportunities may not be large enough to provide for an allocation across all Ares portfolios. To the extent an investment opportunity is limited, Ares has no obligation to allocate all or any portion of such opportunity to the Underlying Fund before allocating to itself or any other client of Ares.

However, Ares must adhere to its allocations policy when allocating investments and divestments of the Underlying Fund.

How the Fund and Underlying Fund use Derivatives

The term 'derivative' is used to describe any financial product that has a value that is derived from another security, liability, or index.

The Fund and the Underlying Fund may at times invest in or obtain exposure to Derivatives, such as futures and options, foreign exchange forwards and swaps. The Fund will primarily use Derivatives to hedge currency exposures. The use of Derivatives may expose the Fund to certain risks. Please refer to 'Currency strategy', 'Derivative risk' and 'Currency risk' for more information.

Derivatives may be used to implement investment decisions (including hedging), managing the duration of the Fund, and as a risk management tool (such as managing the effect of interest rates or foreign currency movements). They may also be used to adjust or implement investment decisions and to gain, or avoid, exposure to a particular market rather than purchasing physical assets.

Although the Underlying Fund does not expect Derivatives to represent a significant portion of its portfolio initially, the Underlying Fund will use Derivatives in seeking to achieve its investment objective or for other reasons, such as cash management, financing activities or to hedge its positions.

Accordingly, Derivatives may be used in limited instances as a form of leverage or to seek to enhance returns, including speculation on changes in credit spreads, interest rates or other characteristics of the market, individual securities or groups of securities. The use of Derivatives may cause the nominal investment exposure of the Underlying Fund to exceed 100% of the value of assets. Refer to 'Gearing and Leverage' below for more information.

The use of Derivatives may expose the Fund to certain risks. Refer to 'Derivative risk' for more information.

Gearing and leverage of the Underlying Fund

While Ares will not generally borrow on behalf of the Fund to invest, the Fund may enter into borrowing arrangements for the purposes of satisfying margining requirements or funding obligations in connection with its use of Derivatives for foreign exchange hedging purposes. The borrowing arrangement will be utilised to fund any hedging costs that cannot be satisfied while awaiting withdrawal proceeds from the Underlying Fund. It is expected that any borrowing arrangement will not exceed more than 20% of the overall size of the net asset value of the Fund when entered into.

The Underlying Fund's use of borrowing and Derivatives may cause the nominal investment exposure of the Underlying Fund to exceed 100% of the value of the Underlying Fund's assets. Under the terms of the Underlying Fund, leverage is restricted to 33.33% of the market value of the Underlying Fund's total assets.

The Underlying Fund may obtain leverage by issuing preferred shares and/or notes and it may also borrow funds from banks and other financial institutions.

The leverage in the Underlying Fund is continually monitored by its Advisers to ensure it is in accordance with the Underlying Fund's investment objective and within the prescribed threshold.

Short selling

The Fund will not engage in short selling.

The Underlying Fund has the ability to use short selling. Examples of how the Underlying Fund may use short selling include to reduce the risk in a particular sector by short selling a credit index; and taking a position in a single name credit default swap.

The main risk to the Fund as a result of short selling is if the Underlying Fund incorrectly predicts that the price of the borrowed security will decline, the Underlying Fund will have to replace the securities with securities with a greater value than the amount received from the sale. As a result, losses from short sales differ from losses that could be incurred from a purchase of a security because losses from short sales may be unlimited, whereas losses from purchases can equal only the total amount invested. The Underlying Fund takes short positions in a risk appropriate manner with risk analysis conducted prior to any new strategy being implemented and diversification benefits explored on the overall portfolio level.

Changes to investment policy

The Constitution permits a wide range of investments and gives us, as Responsible Entity, broad investment powers. We may change the investment manager and/or vary the investment objectives, strategies, benchmarks, asset allocation ranges and processes of the Fund without your consent. We will notify unitholders of any material variation or changes which we believe they would not have reasonably expected.

We note that as the Fund invests through the Underlying Fund, the Underlying Fund may change its investment objective, strategies, benchmarks, asset allocation ranges and processes at any time without prior notice and without our consent.

Labour standards or environmental, social or ethical considerations

The Responsible Entity (Fidante) does not itself take into account labour standards and environmental, social and ethical considerations for the purposes of selecting, retaining or realising investments. Fidante has delegated the investment management of the Fund to AAM under an investment management deed. AAM has sub-delegated investment decisions for the purposes of selecting, retaining or realising investments for the Fund to Ares Capital who operates the Fund in accordance with the Sub-Adviser Deed. Fidante Partners' parent Challenger Limited is a member of The PRI Association (**PRI**), a leading promoter of responsible investment practices supported by the United Nations.

Fidante Partners incorporates consideration of environmental, social and governance (**ESG**) considerations when selecting, appointing and monitoring investment managers. Fidante Partners does not adhere to any particular set of labour standards or environmental, social and ethical considerations.

Sub-adviser of the Fund

AAM has delegated the investment management for the Fund to Ares Capital who operates the Fund in accordance with the Sub-Adviser Deed. This delegation includes how environmental, social and governance (**ESG**) considerations are incorporated in the Fund's investment process.

In recognition of the importance of considering ESG factors in its investment process, in 2012 Ares adopted a Responsible Investment Policy to guide its ESG integration activities across the investment platform and had updated its policy as its practices evolved. Ares takes into account labour standards and environmental, social and ethical considerations when selecting, retaining or realising investments. Ares does not adhere to a particular set of standards and nor does Ares have a predetermined view as to what constitutes a labour standard or an environmental, social or ethical consideration but is supportive of the United Nations-backed Principles of Responsible Investment framework. Ares' believes that integrating environmental, social, and governance factors into the investment and portfolio management processes across Ares' platform not only enable Ares to generate attractive and differentiated risk adjusted returns across Ares' investment strategies but drive positive change in local communities and the world at large. Ares will consider general factors such as (but not limited to) labour relations, workplace health and safety, climate change, water scarcity, energy security, ageing demographics, potential environmental impacts, quality of environmental management systems.

Ares monitors its investments on an ongoing basis, however the timeframe for monitoring and reviewing investments is not fixed. Ares maintains a strong sell discipline in relation to investments that no longer meet its investment criteria, which includes consideration of ESG factors.

Ares' Responsible Investment Policy conveys Ares' objectives for integrating ESG factors, the principles behind our approach, the governance framework to ensure continuous improvement, and the implementation steps that bring Ares' approach to life throughout the investment lifecycle. Ares' Responsible Investment Policy is publicly available on the website at: www.aresmgmt.com/about-ares-management-corporation/impact/esg.

RISKS OF INVESTING IN MANAGED INVESTMENT SCHEMES

All investments carry risk. Different strategies carry different levels of risk depending on the assets that make up the strategy. Generally, assets with the potential for the highest long-term returns may also carry the highest level of risk.

When investing in an MIS, it is important to note that the value of assets in the MIS and the level of returns will vary. No return is guaranteed. Future returns may differ from past returns and investors may lose some or all of their money invested. Additionally, laws (including tax laws) that affect MIS may change in the future, which may have an adverse effect on the returns of MIS.

The level of acceptable risk will vary across investors and will depend upon a range of factors such as age, investment timeframe, where other parts of the investor's wealth is invested and the investor's level of risk tolerance.

The risks set out in this section are general only and are not exhaustive. Prospective investors should consider obtaining independent financial advice to determine if an investment in the Fund is appropriate in light of their financial situation, objectives and needs.

Risks of Investing generally

Risk	Explanation
Market risk	The Fund may experience investment losses due to factors that result in market volatility and disruption and affect the overall performance of the financial markets. These events may include changes in spreads, macro-economic, regulatory, social and political conditions, weather events, terrorism, changes in technology, the environment and market sentiment and pandemics and other widespread public health emergencies including outbreaks of infectious diseases such as COVID-19. Often assets from less developed regions or markets display higher levels of volatility of investment return than assets in mature markets.
Interest rate risk	The market price of fixed interest securities (such as bonds) can be affected by movements in interest rates. For example, when interest rates rise, the capital value of the bond tends to fall and vice versa. Generally, the longer the maturity (or duration) of the bond, the greater the impact that a given change in interest rates will have on the value of that bond. Interest rate changes can be sudden and unpredictable, and the Fund may lose money as a result of movements in interest rates. The Fund may not be able to hedge against changes in interest rates or may choose not to do so for cost or other reasons. In addition, any hedges may not work as intended.
Regulatory risk	As the Fund may invest in assets outside of Australia, those activities are subject to laws other than the laws of Australia. Laws and policies are subject to change from time to time without notice. Changes to those laws can have an impact (positive or negative) on the returns of the Fund, or can impact specific individual investors. If you invest in the Fund and are subject to the laws of other jurisdictions, there is a risk that this Fund may not comply with the specific requirements of that jurisdiction.
Collateral risk	The Fund and the Underlying Fund enters into Derivatives arrangements that require it to deliver (or 'post') collateral to the derivative counterparty or clearer. As a result, the Fund may be exposed to certain risks in respect of that collateral including the credit risk of the counterparty or clearer.
Counterparty risk	The Fund and the Underlying Fund are, to a certain extent, reliant on external providers in connection with its operation and investment activities. There is a risk with these arrangements that the other party to a contract (such as Derivatives contract, physical security or foreign exchange contract trade) may fail to perform its contractual obligations either in whole or part (refer to 'Credit risk' for more information). In such circumstances, any collateral lodged with counterparties related to these Derivatives may also be at risk. This may result in the investment activities of the Fund being adversely affected.

Risk	Explanation
Credit risk	The risk that the issuer of the fixed interest security (i.e. direct loan, asset backed security, corporate debt, corporate loan or derivative counterparty) is unable or unwilling to make interest and/or capital repayments in full and/or on time, or may not meet other financial obligations. Fixed income securities are subject to legal, political, macro-economic, industry and business risks which may lead to a loss of capital or interest payments. Losses may be complete or partial and may occur at any time depending on the extent of financial deterioration, the position of the fixed income security in the capital structure of the issuer or whether the fixed income security has security of assets in the case of default. Fixed income securities may be assigned a credit rating from rating agencies such as Standard and Poor's or Moody's Investor Services. A credit rating is only an opinion of creditworthiness that is subject to change. Credit risk is generally considered to be lower with investment grade credit quality fixed income securities and moves increasingly higher, the further down the credit quality spectrum. Deterioration in the creditworthiness of an issuer is likely to lead to volatility in the fixed income security secondary market price. A downgrade in credit rating may impact the spread causing the value of a fixed income security to fall.
Currency and currency hedging risk	Some investments held by the Fund and the Underlying Fund may be denominated in a currency different to Australian Dollars. The value of these investments may fluctuate in Australian dollar terms because of fluctuations in currency exchange rates. As an example, a rise in the Australian dollar relative to other currencies may negatively impact investment value or returns. Conversely, a decline in the Australian dollar relative to other currencies may positively impact investment returns. Ares on behalf of the Fund adopts currency hedging strategies in an aim to reduce, or remove completely, the impact of these currency movements on the value of the investment. However, it should be noted that such hedging strategies could also reduce the potential for increased gains where the value of that currency increases relative to the Australian dollar. Further, there is also a risk that if the hedging is not implemented accurately or effectively, the Fund could be exposed to currency fluctuations. There can be no assurance that the Fund will be hedged at all times or that Ares will be successful at employing the hedging strategies. Given that Repurchase Offers are only made on a quarterly basis, there is a risk that the proposed currency hedging strategy, whereby a counterparty takes shares as collateral or security in respect of shares of the Underlying Fund for a hedge, could cause a delay in the processing of withdrawal requests at the Fund level as it subject to the withdrawal regime of the Underlying Fund. There is also a risk that under these arrangements, the counterparty may be provided by way of security with a contractual right to take control of the Fund's bank accounts and exercise discretion on the redemption and sale of the shares in the Underlying Fund that are held by the Fund if there is an unremedied default. An example of an unremedied default would be the non- payment of amounts due to the counterparty which we consider would be unlikely to occur. Please refer to 'Currency strategy' under 'Additional information about the Fund's investments' for information on Ares' currency management strategy.

Risk	Explanation
Derivative risk	The Fund and/or the Underlying Fund may use Derivatives, directly or indirectly, for hedging purposes and/or for investment purposes. The value of a derivative is linked to the value of an underlying asset and can be volatile. While the use of Derivatives offers the opportunity for higher gains, it can also magnify losses to the Fund and the Underlying Fund. A risk associated with using Derivatives might include the value of the derivative failing to move in line with that of the underlying asset. Therefore, the derivative positions cannot be expected to perfectly hedge the risk of the underlying asset. Other risks associated with Derivatives may include potential illiquidity of the derivative, the Fund or the Underlying Fund not being able to meet payment obligations as they arise, the potential for leverage risk or the risk that the other party with whom the derivative contract is held will fail to perform its contractual obligations (refer to 'Counterparty risk' and 'Collateral risk'). The Fund and the Underlying Fund may also use Derivatives in limited instances as a form of leverage or to seek to enhance returns, including speculation on changes in credit spreads, interest rates or other characteristics of the market, individual securities or groups of securities. Ares aims to keep derivative risk to a minimum by: • constantly monitoring the Fund and Underlying Fund's use of Derivatives; • aiming to ensure that the Fund and the Underlying Fund keeps sufficient liquid assets to meet all obligations, costs, liabilities and potential losses associated with Derivatives; and • entering into derivative contracts with reputable counterparties. However, neither Fidante Partners, Ares Capital nor AAM can guarantee that the Fund's and/or the Underlying Fund's Derivatives strategy will be successful. Refer to 'How the Fund and Underlying Fund use Derivatives' for further information on how Derivatives are used.
Fixed income security risk	A fund investing in fixed income securities may experience a decline in income where market interest rates are falling and securities are reinvested at a lower yield. The impact of interest rate risk will largely depend on the term to maturity of the security. Refer to 'Interest rate risk' for further information. There are a number of additional risks which can result in significant variability in investment returns and a loss of income or capital value, including market risk and credit risk. The level of credit risk will generally depend on the creditworthiness of the security issuer. Refer to 'Credit risk' for further information. Investors are also exposed to risks associated with the terms and conditions of the individual financial security.
Foreign investment risk	The Fund invests in a collective investment vehicle located offshore and that is governed by foreign law. It is therefore subject to certain risks that are not prevalent if investing in markets directly. Such risks include: • various investment laws and regulations imposed by the foreign jurisdiction of the Underlying Fund that limit the use of certain securities and investment techniques that might improve performance; • Shares in the Underlying Fund not being actively traded, meaning the only option for liquidity is generally redemption which may be subject to delays; and/or risk that taxation or other applicable laws may change in Australia that may affect the operation of the Fund, including how distributions are paid from the Fund, or in the United States which may affect the operation of the Underlying Fund.

Risk	Explanation
Fund risk	Fund risk refers to specific risks associated with the Fund, such as termination, changes to fees and expenses and government policies. We may close the Fund to further investments if, for example, we consider it appropriate given the investment objective and investment strategy of the Fund. We may also terminate the Fund by notice to unitholders. Your investment in the Fund is governed by the terms of the Constitution and the PDS of the Fund (each as amended from time to time), the Corporations Act, and other laws. The value or tax treatment of an investment in the Fund or its underlying assets, or the effectiveness of the Fund's trading or investment strategy may also be adversely affected by changes in government policies (including taxation), regulations and laws, or changes in generally accepted accounting policies or valuation methods. Such changes could also make some investors consider the Fund to be a less attractive investment option than other investments, prompting greater than usual levels of withdrawals, which could have adverse effects on the Fund. There is also a risk that investing in the Fund may give different results from holding the underlying assets of the Fund (i.e. shares in the Underlying Fund) directly because of (but not limited to): • income or capital gains accrued in the Fund at the time of investing; • the consequences of investment and withdrawal decisions made by other investors in the Fund; for example, a large level of withdrawals from the Fund may lead to the need to sell underlying assets which would potentially realise income and/or capital gains; and • the currency hedging strategies implemented by the Fund. We aim to manage these risks by monitoring the Fund and by acting in investors' best interests. In the event of winding up the Fund, we will realise all the Fund's assets, which will generally result in the crystallisation of tax positions (both income and capital) at that time.
Underlying fund risk	Underlying Fund risk refers to specific risks associated with the Underlying Fund, such as termination, changes to fees and expenses and government policies. The Underlying Fund may be closed to further investments and/or be terminated. The Underlying Fund is governed by the terms of its constituent documents, offer document and other laws. The Underlying Fund, its underlying assets and/or its investment strategy and objective may be may also be adversely affected by changes in government policies (including taxation), regulations and laws.
Gearing risk	The use of borrowed money or gearing within the Underlying Fund will increase investment exposure and can magnify the potential gains and losses from investments and increase the volatility of the Underlying Fund's total return. Gearing also increases the risk of the Underlying Fund not meeting the financial obligations of the borrowing, including but not limited to the cost of the borrowing and refinancing risk.
Liquidity risk	Liquidity risk is the risk that the Fund will not have adequate cash resources to meet its short- term financial commitments as they fall due (including meeting the Fund's objective and investors' expectations for payment of withdrawals). Liquidity risk may also occur due to the absence of an established market or a shortage of buyers for an investment which can result in a loss if the holder of the investment needs to sell it within a particular timeframe. Liquidity risk can also occur due to pandemics and other widespread public health emergencies such as the outbreak of COVID-19 which may cause volatility and declines in markets for financial assets (refer to 'Market risk' below) which in turn may impact the liquidity of the Fund. Different securities may be typically less liquid than other securities or pose a higher risk of becoming illiquid during times of market stress. The less liquid the security, the more difficult it may be to sell the security when it is desirable to do so or to realise what the manager perceives to be fair value in the event of a sale.

Risk	Explanation
Liquidity risk (continued)	If an investor or a group of investors in a Fund with exposure to less liquid assets seek to make large withdrawals, then selling assets to meet those withdrawals may result in a detrimental impact on the price we receive for those assets. In certain circumstances, we may be required to suspend withdrawals (refer to 'Withdrawal risk') to allow sufficient time for a more orderly liquidation of assets to meet the withdrawals. The liquidity risk factors above have been considered in designing the application and withdrawal provisions specific to the Fund. Due to the Underlying Fund's investments in the less liquid private lending market, the Fund offers quarterly withdrawals with a minimum notice period and on a 'best endeavours' basis. Please see 'Additional information about withdrawing' in the 'Investing in the Fund' section for more information.
Operational risk	The day to day operations of the Fund and the Underlying Fund may be adversely affected by circumstances beyond our reasonable control, such as a failure of technology or infrastructure, pandemics and other widespread public health emergencies including outbreaks of infectious diseases such as COVID-19 or natural disasters. A breakdown of administrative procedures and risk control measures implemented by us or by any of our service providers, including with respect to cyber-security, may also adversely affect the operation and performance of the Fund and the Underlying Fund.
Service provider risk	The Fund and the Underlying Fund may be reliant on external service providers in connection with their operation, such as the fund administrator, custodian, registry provider and any sub-advisory managers appointed in respect of the Fund and Underlying Fund. There is a risk with these arrangements that the service providers may default in the performance of their obligations or seek to terminate the services with the result that the Fund and the Underlying Fund may be required to seek an alternative supplier and, in the interim, investment activities and other functions of the Fund and the Underlying Fund may be affected. In addition to the general service provider risk above, there are also certain risks associated with Ares Capital as sub-adviser of the Fund. Ares, its respective partners, controlling persons, employees, agents, representatives and advisers are not in any way prohibited from spending substantial business time in connection with other businesses and activities (and receiving compensation in connection therewith), including without limitation managing investments other than the Fund and the Underlying Fund. There is a risk that any advice or other actions taken for other funds may have a material impact (positive or negative) on the holdings of the Fund and the Underlying Fund. The investment policies, fee arrangements and other circumstances relevant to the Fund may also be similar to or vary significantly from such arrangements for other clients of AAM or Ares. AAM and Ares have policies designed to manage conflicts of interest and must adhere to these policies when performing the investment management function of the Fund.
Short position risk	A security (credit or equity) short position involves 'borrowing' a security (directly, or indirectly through a credit default swap) and then selling that security. As establishing a short position initially involves 'borrowing' a security, a different assessment of risk is required compared to the risk assessment of investing in the security directly. When investing in a security directly, the maximum loss is generally limited to the amount invested. With a short position, there is no limit to how much an investor can lose if the price of the security continues to rise. This is because a rising security price means the borrower (i.e. the Fund) must pay a higher amount to buy back the security when it comes time to return the security to the lender. Short selling will also increase the Fund's total gross effective exposure to the relevant credit and fixed interest market above 100% of its net assets. This in turn may magnify the exposure to other investment risks detailed in this section. Short positions are also affected by risks associated with the lender of the security. There is the risk that the securities lender may recall a security that has been borrowed at any time. This means the borrower (i.e. the Fund) will have to find another securities lender willing to lend the security or buy the security on the market within a short period of time. This may force the borrower to buy the security at an unfavourable price. A short position can also be achieved with credit derivatives. A 'short' position can be created by buying protection on a single issuer's securities or on an index of securities. If the issuer or index increases in risk the fund will benefit. If the issuer or index decreases in risk the fund will make a loss.

Risk	Explanation
Withdrawal risk	If a situation occurs where the assets that the Fund invests in are no longer able to be readily bought and sold, or market events reduce the liquidity of a security or asset class, there is a risk that the generally applicable timeframe for meeting withdrawal requests may not be able to be met. This is because it may take longer to sell these types of investments at an acceptable price. In this case, withdrawals from the Fund may take significantly longer than the generally applicable timeframe and may need to be suspended (see 'Suspending withdrawals' for more information). Due to the Fund's investments, via its investment in the Underlying Fund, in the less liquid private lending market, where assets are traded less frequently, the Fund offers quarterly withdrawals with a minimum notice period and on a 'best endeavours' basis. However, given the illiquid nature of the assets, investors in the Fund must be aware that it may take significantly longer to receive the withdrawal proceeds than the generally applicable timeframe specified above in the 'Investing in the Fund' section. In addition, withdrawals from the Fund will also be subject to the availability of withdrawals from the Underlying Fund. Please see 'Additional information about withdrawing' in the 'Investing in the Fund' section for more information. The maximum timeframe in which we, as Responsible Entity, have to meet a withdrawal request is set out in the Constitution. Where the Fund is not liquid (as defined in the Corporations Act), you may only withdraw when we make an offer to withdraw to all investors, as required by the Corporations Act. Please refer to 'Additional information about withdrawing' for further information about an investor's ability to withdraw when the Fund is liquid, including the timeframes, and an investor's ability to withdraw if the Fund is not liquid.
Conflicts of interest	Ares is engaged in the business of discretionary investment management and advising clients, which may include other investment vehicles, in the purchase and sale of securities and financial instruments. In managing other clients' assets or advising other clients, Ares may use the information and trading strategies which it obtains, produces or utilises in the performance of services for the Fund and Underlying Fund.

FEES AND OTHER COSTS

Did You Know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from $100,000 to $80,000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower fees. 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)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole. Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs summary

Ares Diversified Credit Fund

Type of fee or cost	Amount[7]	How and when paid
Ongoing annual fees and costs		
Management fees and costs[1,2,3,4] The fees and costs for managing your investment	The management fees and costs of the Fund are 2.41% p.a. of the net asset value of the Fund.	The amount quoted is made up of the following three components: Management fees of 0.0% p.a. of the net asset value of the Fund, which are calculated and accrued daily and paid monthly in arrears from the Fund's assets on or around the last business day of the month. Estimated Indirect costs of 2.38%, which are deducted from the Underlying Fund's assets, accrued daily in the net asset value, and then paid as and when due and comprised of: • the Underlying Fund's management fee of 1.80% p.a of NAV.; and • the Underlying Fund's estimated expenses of 0.58% p.a. Estimated Recoverable expenses, which are normal operating expenses of up to 0.03% p.a. of the net asset value of the Fund that are deducted from the Fund's assets, accrued daily and paid monthly on or around the last business day of the month. May also include abnormal expenses that, if charged, will be deducted from the Fund's assets and paid as incurred.
Performance fees[5] Amounts deducted from your investment in relation to the performance of the product	Estimated to be 0.80% p,a of the net asset value of the Fund, comprised of: 1. a performance fee of 0% p.a of the net asset value of the Fund; and 2. estimated interposed vehicle performance fees (i.e. the Underlying Fund incentive fee) of 0.80% p.a of the net assets value of the Fund.	1. Performance Fees are not charged by the Fund 2. Performance Fees (otherwise known as Incentive Fees) may be charged by the Underlying Fund when their performance exceeds a specified level. Incentive Fees charged by the Underlying Fund are deducted from the assets of the Underlying Fund, which is reflected in the net asset value of the shares the Fund holds in the Underlying Fund. Refer to 'Additional explanation of fees and costs' in this PDS for more information on performance/incentive fees.
Transaction Costs[6] The costs incurred by the scheme when buying or selling assets	The net transaction costs incurred by the Fund for the last financial year were approximately 0.0% p.a. of the net asset value of the Fund.	Transaction costs are deducted from the assets of the Fund as and when they are incurred (where not otherwise recovered through the buy/sell spread).

Type of fee or cost	Amount[7]	How and when paid
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
Establishment fee The fee to open your investment	Not applicable	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	Estimated to be +0.10%/-0.00% of the investment or withdrawal amount	Charged at time of transaction and paid into the Fund when you invest in or withdraw from the Fund. The buy/sell spread is reflected in the unit price and is not separately charged to the investor.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Not applicable	Not applicable
Switching fee The fee for changing your investment options	Nil	Not applicable

1. Unless otherwise stated, all fees and costs are quoted gross of income tax and any Goods and Services Tax (GST) and reduced by any input tax credits (ITCs) or reduced input tax credits (RITCs) as applicable. Where available, the prescribed RITC rate is currently 55% or 75%, depending on the nature of the fee or cost incurred. Due to the impact of GST, ITC and RITC calculations, actual fees may vary slightly from those stated and may be rounded to two decimal places.
2. For certain wholesale clients (as defined in the Corporations Act) we may, at our discretion, negotiate, rebate or waive all or part of our fees. Please refer to 'Can fees be different for different investors?' in 'Fees and other costs'.
3. All estimates of fees and costs in this section are based on information available as at the date of this PDS and reflect the Responsible Entity's reasonable estimates of the typical fees for the current financial year. The costs component of management fees and costs reflect the actual amount incurred for the last financial year. All figures have been rounded to two decimal places. Please refer to 'Management fees and costs' under the heading 'Additional explanation of fees and costs' for more information on management fees and costs.
4. Please refer to 'Other payments' under the heading 'Additional explanation of fees and costs' for more information on costs that may be payable.
5. The reasonable estimate of the performance fee is based on the average of the performance fees accrued in the Underlying Fund for the previous five financial years ending 30 June. Past performance is not a reliable indicator of future performance and the Underlying Fund's actual performance fee will be based on the Underlying Fund's performance over the relevant period. Please refer to 'Performance fees' under the heading 'Additional explanation of fees and costs' for more information on performance fees.
6. Transaction costs are the costs associated with the buying and selling of the Fund's assets. These costs include brokerage, settlement costs, clearing costs, stamp duty and other government taxes or charges and include the transactional and operational costs incurred by the Underlying Fund. Transaction costs are recovered from the assets of the Fund as and when they are incurred and where incurred by the Underlying Fund. The transaction costs reflects the actual transaction costs incurred for last financial year and the Responsible Entity's reasonable estimates where information was not available as at the date of this PDS (adjusted to reflect a 12 month period).
7. 'Nil' means there is an entitlement under the Constitution, but we have elected not to charge it. 'Not applicable' means there is no entitlement for us to charge this fee.

Example of annual fees and costs for the Fund

This table gives an example of how the ongoing annual fees and costs in the Fund can affect your investment over a 1-year period. You should use this table to compare this product with products offered by other managed investment schemes.

EXAMPLE - Ares Diversified Credit Fund	**BALANCE OF $100,000 WITH A CONTRIBUTION OF $5,000 DURING YEAR**	
Contribution Fees	Nil	For every additional $5,000 you put in, you will be charged **$0**
Plus Management Fees and costs	2.41% p.a. of the net asset value of the Fund	**And**, for every $100,000 you have in the Fund, you will be charged or have deducted from your investment $2,410 each year.
PLUS Performance Fees	0.80% p.a. of the net asset value of the Fund	**And**, you will be charged or have deducted from your investment $800 in performance fees each year.
PLUS Transaction costs	0.00% p.a. of the net asset value of the Fund	**And**, you will be charged or have deducted from your investment $0 in transaction costs.
EQUALS Cost of the Fund		If you had an investment of $100,000 at the beginning of the year and you put in an additional $5,000 during that year, you would be charged fees of and costs of $3,210. **What it costs you will depend on the investment option you choose and the fees you negotiate.**

This example assumes that the $5,000 contribution is made at the end of the year and the value of the investment is otherwise consistent, therefore the management fees and costs associated above are calculated using the $100,000 balance only. Please note that this is just an example. In practice, actual investment balances will vary daily and the actual fees and expenses we charge are based on the value of the Fund, which also fluctuates daily. Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you such as the buy/sell spread. For a detailed explanation about all of the fees and costs that apply see the fees and costs summary above.

Additional explanation of fees and costs

Management fees and costs

The costs component of management fees and costs in the 'Fees and costs summary' reflects the actual amount incurred for last financial year and the Responsible Entity's reasonable estimates where information was not available as at the date of this PDS (adjusted to reflect a 12 month period). All figures have been rounded to two decimal places.

You should refer to the Fund's website at www.fidante.com from time to time for any updates which are not materially adverse to investors.

The total management fees and costs for the Fund, outlined in the 'Fees and costs summary' above include the management fee, indirect costs, recoverable expenses including the costs of the Underlying Fund and expenses. They do not include the performance/incentive fees (if payable) of the Underlying Fund, the Fund's buy/sell spread or the transaction costs of underlying assets (as set out below).

The Fund's management fees and costs are payable from the Fund's assets (generally those being referable to the relevant class) and are not paid directly from your account. Each of these are explained further below.

For details of the maximum fees permitted under the Constitution, please refer to 'Maximum allowable fees'.

Management fee

This is the fee charged for managing the investments, overseeing the Fund's operations and providing access to the Fund. The Management fee of the Fund is 0.00% p.a of the net asset value of the Fund. It is calculated and accrued daily as a percentage of the net asset value of the Fund and payable monthly in arrears.

Indirect costs

Indirect costs are those amounts paid from the assets of the Fund that we know or, where required, reasonably estimate will reduce, whether directly or indirectly, the return of the Fund or the amount or value of the income of, or property attributable to, the Fund or an interposed vehicle in which the Fund invests. Indirect costs do not include the management fee, performance fee, or recoverable expenses as set out in this section.

The Fund invests into Class I of the Underlying Fund. The management fees and costs of the Underlying Fund are indirect costs of the Fund. As at the date of this PDS, the indirect management fees and costs incurred by the Fund are 2.38% p.a. of the net asset value of Class I of the Underlying Fund.

Recoverable expenses

Normal operating expenses

Under the Constitution, we are entitled to recover costs incurred in the performance of our duties as Responsible Entity of the Fund and in the administration and management of the Fund. These normal operating expenses include charges, fees, expenses, commissions, liabilities, and losses associated with the Fund.

The management fees and costs set out in the 'Fees and costs summary' above include normal operating expenses of 0.03% p.a. of the Fund's net asset value, which is the amount actually incurred by the Fund for the previous financial year including the Responsible Entity's reasonable estimates where information was unavailable at the date of this PDS. This amount is not an indication or guarantee of the amount that may be charged in the future. Normal operating expenses, and therefore total management costs, may vary each year.

Abnormal expenses

We may recover abnormal expenses (such as costs of unitholder meetings, changes to the Constitution and defending or pursuing legal proceedings) from the Fund's assets. Whilst it is not possible to estimate such expenses with certainty, we anticipate that the events that give rise to such expenses will not occur regularly. In circumstances where such events do occur, we may decide not to recover these abnormal expenses from the Fund's assets.

The management fees and costs set out in the 'Fees and costs summary' above include abnormal expenses of 0.00% p.a. of the net asset value of the Fund, which is the amount actually incurred by the Fund for the previous financial year including the Responsible Entity's reasonable estimates where information was unavailable at the date of this PDS. If abnormal expenses are charged, they will be recovered from the Fund's assets when they are incurred. The amount quoted is not an indication or guarantee of the amount that may be charged in the future. At the date of this PDS, there is no intention to hold a unitholder meeting nor are we aware of any legal proceedings the Fund may be a part of that may require us to recover associated abnormal expenses from the Fund.

Performance/incentive fee

The Fund does not currently charge a performance fee.

The Underlying Fund's incentive fee is calculated and payable quarterly in arrears based upon the "pre-incentive fee net investment income" attributable to each class of the Underlying Fund's common shares for the immediately preceding fiscal quarter, and is subject to a hurdle rate, expressed as a rate of return based on each class' average daily net asset value, equal to 1.50% per quarter (or an annualised hurdle rate of 6.00%), subject to a "catch-up" feature. The "catch-up" feature provides the Underlying Fund's Adviser with an incentive fee of 15% on each class' ‘pre-incentive fee net investment income’ when that class’ pre-incentive fee net investment income reaches 1.765% of the class’ average daily net asset value in any fiscal quarter.

The calculation of the Underlying Fund’s incentive fee for each fiscal quarter is as follows:

- No incentive fee is payable in any fiscal quarter in which the applicable pre-incentive fee net investment income attributable to the applicable share class does not exceed the quarterly hurdle rate of 1.50% of such class’s average daily net assets (calculated in accordance with GAAP), or 6.00% annualised;
- 100% of the pre-incentive fee net investment income attributable to the applicable share class, if any, that exceeds the hurdle rate but is less than or equal to 1.765% of such class’s average daily net asset value (calculated in accordance with GAAP) in any fiscal quarter (7.06% annualised) is payable to the Adviser; and
- 15% of the pre-incentive fee net investment income attributable to the applicable share class, if any, that exceeds 1.765% of such class’s average daily net assets (calculated in accordance with GAAP) in any fiscal quarter (7.06% annualised) is payable to the Adviser (i.e. once the hurdle rate is reached and the catch-up is achieved).

Pre-incentive fee net investment income means interest income, dividend income and any other income accrued during the fiscal quarter, minus the Underlying Fund’s operating expenses for the quarter (including management fees) and the distribution and/or shareholder servicing fees (if any) applicable to each class accrued during the fiscal quarter.

The incentive fee is deducted from the assets of the Underlying Fund, accrued in the Underlying Fund’s net asset value, and then paid periodically.

The estimated performance fee disclosed in the “Fees and Costs’ summary table is based on the on the average performance fees accrued in the Underlying Fund for the previous five financial years ending 30 June.

Transaction costs

Transaction costs are the costs associated with the buying and selling of the Fund’s assets. These costs include brokerage, settlement costs, OTC derivative costs, clearing costs, stamp duty and other government taxes or charges and include underlying security buy/sell spreads and the transaction costs incurred to acquire or sell the underlying assets.

The total gross transaction costs incurred by the Fund for the last financial year were approximately 0.00% p.a. of the net asset value of the Fund, including the Responsible Entity’s reasonable estimates where information was unavailable at the date of this PDS. The transaction costs shown in the ‘Fees and costs summary’ are net of any amount recovered by the buy/sell spread. The net transaction costs of the Fund (representing the total gross transaction costs minus the total amount recovered through the buy/sell spread of (+0.10%/-0.00%) incurred for the last financial year were 0.00% p.a. of the net asset value of the Fund, including the Responsible Entity’s reasonable estimates where information was unavailable at the date of this PDS.

Transaction costs are not included in the management fees and costs. Instead they are paid from the assets of the Fund as and when they are incurred and therefore (where not otherwise recovered through the buy/sell spread) are an additional cost to you.

Total fees and costs

Based on the estimated costs outlined in this section, the estimated total of the amounts for management fees and costs, performance fees and net transaction costs is estimated as 3.21% p.a. of the net asset value of the Fund. The dollar figure of these estimated total management fees and costs, performance fees and net transaction costs based on an investment balance of $100,000 is $3,210.

Buy/sell spreads

The buy/sell spread is a type of transaction cost that the Responsible Entity may charge to investors to recover some or all of the transaction costs of the Fund. The purpose of the buy/sell spread is to ensure that only those investors transacting in the Fund’s units at a particular time bear the Fund’s costs of buying and selling the Fund’s assets as a consequence of their transaction.

The buy/sell spread for the Fund is stated as a percentage of the investment or withdrawal amount and is the difference between the investment unit price and the withdrawal unit price. It reflects an estimate of the transaction costs expected to be incurred in buying and selling the Fund’s assets as a result of investments and withdrawals made by investors.

This estimate may take into account factors such as (but not limited to) historical transaction costs and anticipated levels of investments and withdrawals. It is expected that brokerage will make up the vast majority of transaction costs.

The current buy/sell spread of the Fund is +0.10%/-0.00%; however, a different buy/sell spread may apply if the estimate changes.

We have discretion to waive or reduce the transactional and operational costs on investments or withdrawals where no or reduced costs are incurred. We will provide notification to unitholders of any changes to buy/sell spread transaction costs on the Fidante website.

Any difference between total gross transaction costs and the amounts recovered from the buy/sell spread from transacting investors is an additional cost that is borne by all investors of the Fund.

Please note that while the buy/sell spread is an additional cost to you, it is not a fee paid to us or Ares. It is paid to the Fund and is reflected in the Fund’s unit price.

Buy/sell spread example

- The current buy spread on an investment in the Fund is +0.10%. Therefore, the cost of an investment of $100,000 into the Fund would be $100.
- The current sell spread on a withdrawal from the Fund is -0.00%. Therefore, the cost on a withdrawal of $100,000 from the Fund would be $0.

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

Can fees be different for different investors?

Yes; we may negotiate, rebate, or waive fees for wholesale clients (as defined in the Corporations Act), where permitted by law. We do not negotiate fees with retail investors.

Borrowing costs

While AAM will generally not borrow on behalf of the Fund to invest, the Fund may enter into borrowing arrangements for the purposes of satisfying margining requirements or funding obligations in connection with its use of Derivatives for foreign exchange hedging purposes. The borrowing arrangement will be utilised to fund any hedging costs that cannot be satisfied while awaiting withdrawal proceeds from the Underlying Fund. It is expected that any borrowing arrangement will not exceed more than 20% of the overall size of the net asset value of the Fund when entered into. Borrowing costs are the costs associated with borrowing money or securities.

The Underlying Fund may enter into borrowing facilities and, if so, the costs of a borrowing facility would be deducted from the Underlying Fund and not paid for by us from the fees we receive. Borrowing costs are not part of transaction costs, and are not shown in the 'Fees and costs summary'.

Government charges and GST

Government taxes such as stamp duty and Goods and Services Tax (**GST**) may apply to the Fund or your investment. Unless otherwise stated, all fees and costs are quoted inclusive of any GST and net of any input tax credits (**ITCs**) or reduced input tax credits (**RITCs**) that are expected to be available to the Fund.

Where RITCs are available, the prescribed rate is currently 55% or 75%, depending on the nature of the fee or cost incurred. Please refer to 'How managed investment schemes are taxed' for additional information on GST.

Other payments

We may pay fees from our resources to some platform operators because they make the Fund available through their investment service. These fees may be rebated to the Indirect Investor investing in the Fund through the service or in some circumstances may be retained by the operator and include:

- for each platform operator, product access payments of up to $20,000 p.a.; and/or
- where permitted by law, fund manager payments of up to 0.55% p.a. of the amount invested in the Fund.

These payments are made from our own resources so that they are not an additional cost to the Fund or its unitholders.

Benefits to Fidante Partners and Ares

As the Fund's management fee is currently nil, the Responsible Entity does not receive fees from the Fund in connection with the services it provides in relation to the Fund.

Pursuant to the Fee Deed, Ares and/or CAM will pay certain fees to Fidante Partners (in its personal capacity) in connection with establishing and promoting the Fund in Australia. Fidante Partners (in its personal capacity) will separately also pay a fee to the Manager in connection with the distribution of the Fund under the Fee Deed. In addition, the Responsible Entity will pay a fee to the Manager as remuneration for services provided under the Investment Management Deed.

Maximum allowable fees

The Constitution allows certain maximum fees (see table below) and allows for expenses of the Fund (whether normal or abnormal expenses), such as registry, audit, taxation, advice, investment management and offer document costs to be paid directly from the Fund.

Fee	Maximum amount
Contribution fee (currently not charged)	5.00% of the contribution amount
Management fee (currently charged by the Underlying Fund at 1.80% p.a.)	3.00% p.a. of the net asset value of the Fund
Withdrawal fee (currently not charged)	5.00% of the withdrawal amount
Performance fee (No fee is current charged by the Fund. An incentive fee may be payable by the Underlying Fund.	20% of the difference between the Fund's daily return (after fees and expenses and after adding back any distributions paid) and the performance benchmark (being the daily return of the Bloomberg Ausbond Bank Bill Index (AUD).
Switching fee (currently not charged)	Contribution fee plus $50 (CPI adjusted)

The Constitution does not place any limit on the amount of the expenses that can be paid from the Fund.

Can fees change?

All fees can change without investor consent. Reasons for this might include changing economic conditions and changes in regulation. We will give unitholders 30 days' written notice of any proposed increase in fees. We cannot charge more than the Constitution allows. If we wish to raise fees above the amount allowed for in the Constitution, we would first need to obtain the approval of unitholders. We also reserve the right to waive or reduce any of the fees and costs described in this PDS without prior notice.

Indirect (or alternative form) remuneration

We may provide benefits to other financial services intermediaries where the law permits. If we do, we will provide these benefits from our own resources so that they are not an additional cost to the Fund or its unitholders.

We maintain a register (in compliance with the relevant regulatory requirements) summarising alternative forms of remuneration that are paid or provided to Australian financial services licensees and/or their representatives. Registers are publicly available and if you would like to review our register, please contact us

Tax

Information about tax is set out in the 'How managed investment schemes are taxed' section.

MAKING, WITHDRAWING AND MONITORING YOUR INVESTMENT

Each person should obtain and consider the Fund's PDS and TMD before making a decision about whether to acquire or continue to hold units in the Fund. A copy of the Fund's PDS and TMD can be obtained from your financial adviser, by calling the Fidante Investor Services Team on 1300 721 637, or at www.fidante.com. The information in the table below applies to Direct Investors only. If you are an Indirect Investor, you will need to comply with any requirements set by your platform operator. Please refer to 'Indirect Investors' for further information.

Please note that when making an investment, (whether initial or additional investments) the funds must come from an account held in your name. Similarly, withdrawals/distributions from your investment must also be paid to an account held in your name. Please note that 3rd party payments are not accepted.

	Minimum amounts[1]	How to lodge your request	More information
Initial investment	$100,000	**The Fund only accepts investments from institutional, wholesale and sophisticated investors (as defined in the Corporations Act), or, investors which have received personal advice as outlined in the Fund's TMD.** Generally, you can invest daily subject to certain limits in the Constitution and this PDS. You can invest in the Fund directly by following these two easy steps: 1. Read and understand this PDS and TMD both available on our website or in hard copy on request; and 2. Complete and submit the application form. Wholesale, clients within the meaning of the Corporations Act, as well as advisers, are able to complete and submit the online application form on our website by clicking "Invest Online". New retail clients who are not wholesale clients within the meaning of the Corporations Act will need to contact their adviser or Fidante directly. Please note paper application forms are available in hard copy on request. Investments can be made from an account held in your name via direct debit, BPAY or electronic funds transfer. All direct debits and BPAY payments are subject to the Direct Debit Service Agreement and BPAY Service Agreement available on the Fidante website.	'Additional information about making an investment' and 'Customer Identification Program'
Additional one-off investments	No minimum	Once you have made your initial investment in the Fund, you can make additional one-off investments and/or regular monthly investments via the Regular Investment Plan. You can make additional investments in the Fund by following these two easy steps: 1. Ensure you have read and understood the most recent copy of the Fund's PDS and TMD both available on our website or in hard copy on request; and 2. Complete and submit the online application form on our website by clicking "Invest Online". Please note paper application forms are available in hard copy on request. Investments can be made from an account held in your name via direct debit, BPAY or electronic funds transfer. All direct debits and BPAY payments are subject to the Direct Debit Service Agreement and BPAY Service Agreement available on the Fidante website.	'Additional information about making an investment'

ARES | WEALTH MANAGEMENT SOLUTIONS

	Minimum amounts[1]	How to lodge your request	More information
Regular Investment Plan	No minimum per month	The Regular Investment Plan (RIP) enables you to invest in the Fund each month via direct debit from a nominated account. You can set up an RIP at the time of making your application.	'Regular Investment Plan'
Withdrawals	No minimum	Direct Investors can request a withdrawal by lodging a Fidante Withdrawal Request Form or in writing. A withdrawal request, either in whole or in part, once received by us may not be withdrawn without our agreement. Withdrawals can only be made to a bank account held in your name. Generally, you can withdraw quarterly, in line with the quarterly repurchase offer of the Underlying Fund. The Underlying Fund offers a share repurchase program whereby it makes quarterly offers to repurchase between 5% and 25% of its outstanding shares at NAV (**Repurchase Offer**) pursuant to Rule 23c-3 under the 1940 Act. In connection with any given Repurchase Offer, we expect the Underlying Fund will offer to repurchase only the minimum amount of 5% of its outstanding shares. Repurchase Offers by the Underlying Fund occur in the months of March, June, September and December. As a result, the Fund's withdrawal requests are generally expected to be processed quarterly (**Withdrawal Period**) to align with the Repurchase Offer. For each Withdrawal Period, the Responsible Entity may determine a maximum amount of withdrawal proceeds available from the Fund (**Maximum Amount**). If the aggregate amount of withdrawal requests received by the Responsible Entity in a Withdrawal Period exceeds the Maximum Amount, the Responsible Entity will accept (and subsequently process) withdrawal requests on a pro-rata basis.	'Additional information about withdrawing'
Transferring ownership	No minimum	Subject to conditions as required by law or that we, from time to time, prescribe.	'Transferring ownership'

1. We may accept lower minimum transaction amounts at our discretion.

Additional information about making an investment.

Initial Investments

The Fund only accepts investments from institutional, wholesale and sophisticated investors (as defined by the Corporations Act), or, investors which have received personal advice as outlined in the Fund's TMD.

When you make your initial investment in the Fund, we will email you a confirmation letter and log-in details to the secure online portal InvestorServe where you can manage your investment. Please refer to 'Keeping you informed' for more information.

Each person should obtain and consider the Fund's PDS and TMD before making a decision about whether to invest or continue to hold the Fund. A copy of the Fund's PDS and TMD can be obtained from your financial adviser, by calling the Fidante Investor Services Team on 1300 721 637, or at www.fidante.com.

Direct Investors

Details of how to make your initial investment are outlined in the 'Making, withdrawing, and monitoring your investment' table. Once you have made your initial investment in the Fund, you can make additional one-off investments and/or regular monthly investments via the Regular Investment Plan.

Indirect Investors

If you are an Indirect Investor you must complete the documentation which the platform operator requires. Please contact the relevant platform operator directly with any enquiries.

Additional one-off investments

Once you have made your initial investment in the Fund, you can make additional one-off investments and/or regular monthly investments via the Regular Investment Plan.

Each person should obtain and consider the Fund's PDS and TMD before making a decision about whether to make additional investments in the Fund. A copy of the Fund's PDS and TMD can be obtained from your financial adviser, by calling the Fidante Investor Services Team on 1300 721 637, or at www.fidante.com.

Direct Investors

Details of how to make your additional investment are outlined in the 'Making, withdrawing, and monitoring your investment' table.

Indirect Investors

If you are an Indirect Investor you must complete the documentation which the platform operator requires. Please contact the relevant platform operator directly with any enquiries.

Regular Investment Plan

The Regular Investment Plan (RIP) enables you to invest in the Fund each month via direct debit from a nominated account held in your name.

Direct Investors

You can set up an RIP via our online application process.

Your nominated account will be debited on or around the next business day after the 14th day of each month for the specified amount. Your application to commence an RIP must be received at least three business days before the 14th day of the month in which you wish your instructions to take effect. Participation in the RIP will be renewed annually by continuing to make contributions.

Units will be issued on the basis of information contained in the PDS and this document current at the time the contributions are made. Should a replacement PDS or additional important information be issued, we will notify you and inform you of any changes or updates if you continue to participate in the RIP. You can amend, suspend, or cancel your RIP at any time.

You should ensure that we receive your instructions to amend, suspend or cancel your RIP at least three business days before the 14th day of the month in which you wish your instructions to take effect. Any request received after this may result in the change not being effective until the following month.

If two consecutive debits are dishonoured due to insufficient funds, we will suspend your RIP.

Please ensure you have considered the Fund's PDS and TMD before making a decision about whether to set up an RIP. A copy of the Fund's PDS and TMD can be obtained from your financial adviser, the Fidante Investor Services Team on 1300 721 637, or at www.fidante.com.

Indirect Investors

RIP is not available to Indirect Investors.

Incomplete or rejected application forms

Under the Constitution, we can accept or reject any application for units and are not required to give any reason or grounds for such a refusal.

Monies from incomplete applications will generally be held on trust for a maximum period of 30 days in a non-interest bearing account commencing on the day we receive the monies. After this period, your funds will be returned to the source of payment

Once we receive your completed application form, the monies held will be divided by the next determined unit price to calculate the number of units that will be allocated to you.

Customer Identification Program

Direct Investors

As part of the application process, we will electronically verify your identity (including, where applicable, the identity of any beneficial owners or related persons). If electronic verification can't be undertaken, we may ask you for additional identity verification documents and/or information.

In certain circumstances we may require the identity verification documentation to be certified.

Where the Application Form is signed under Power of Attorney we will also require a certified copy of the Power of Attorney document and a specimen signature of the attorney.

We may, where required, pass any information we collect and hold about you or your investment to the relevant government authority.

If any documentation requested by us is not in English, it must be accompanied by an original copy of an English translation prepared by an accredited translator.

If we do not receive all required valid customer identity verification information and/or documents, we will not be able to commence your investment. We will contact you as soon as possible if we require more information. We may also seek to re-verify your identity or collect additional information at any time after your investment has commenced.

Indirect Investors

Indirect Investors should refer to their platform operator for details of their customer identification program.

Additional information about withdrawing

How to make a withdrawal

Direct Investors

Direct Investors can request a withdrawal by lodging a Fidante Withdrawal Request Form or in writing. A withdrawal request, either in whole or in part, once received by us may not be withdrawn without our agreement. Withdrawals can only be made to an Australian bank account held in your name.

We will require the following information when you make your withdrawal request:

- your account number;
- the full name(s) in which your investment account is held;
- the amount (dollars or units) you wish to withdraw; method of payment; and
- a daytime telephone number.

If you originally invested via direct debit and you make a withdrawal within the first three months of making your investment, we will only pay the withdrawal proceeds to the account that was debited when making your initial investment.

Indirect Investors

You must complete the withdrawal documentation required by the platform operator.

Processing your withdrawal

Under the Constitution, the Responsible Entity has the discretion to accept or reject a withdrawal request, and if it accepts the request, it has a maximum period of three and a half years from the date on which it accepts a withdrawal request (**Withdrawal Effective Date**) to process withdrawals and a maximum of 21 days from the date on which the withdrawal is processed to pay the withdrawal proceeds. However, the Responsible Entity intends to process withdrawals quarterly (**Withdrawal Period**). The Withdrawal Effective Date will be determined quarterly and is expected to be on or around the 15th business day of the first month of each calendar quarter. The Withdrawal Effective Date is based on the date on which the Fund's request to withdraw from the Underlying Fund is processed and is subject to change. For further information about the Underlying Fund's withdrawal details refer to the 'Withdrawals from the Underlying Fund' section below.

Valid withdrawal requests received in our Sydney office before 3:00pm (Sydney time) on the last NSW business day of the quarter (**Withdrawal Request Deadline**) will usually be accepted or rejected on the Withdrawal Effective Date of the relevant Withdrawal Period. Generally, the Withdrawal Effective Dates will be on or around the 15th NSW business day of January, April, July, and October (as applicable to the relevant Withdrawal Period).

For each Withdrawal Period, the Responsible Entity may determine a maximum amount of withdrawal proceeds available from the Fund (**Maximum Amount**). The Maximum Amount in any Withdrawal Period will be based on the amount of withdrawal proceeds that are available to the Fund from the Underlying Fund, along with any other commitments of the Fund. The Responsible Entity will seek to accept (and subsequently process) withdrawals on a best endeavours' basis.

If the aggregate amount of withdrawal requests exceeds the Maximum Amount for the relevant Withdrawal Period, the Responsible Entity will accept (and subsequently process) withdrawal requests on a pro-rata basis. In this instance, you will receive a pro-rata amount referable to your percentage of the Maximum Amount for that Withdrawal Period. Any unmet portion of an investor's withdrawal request will be cancelled and the investor will be required to submit another withdrawal request in the following Withdrawal Period if they wish to withdraw the unmet portion (New Withdrawal Request). The New Withdrawal Request will be processed in accordance with the usual withdrawal process for that Withdrawal Period.

Valid withdrawal requests will usually be processed using the unit price determined as at the applicable Withdrawal Effective Date.

For Direct Investors, we can pay withdrawal proceeds by direct credit to your nominated account. You agree that if the type of payment you request results in bank fees being charged, we may deduct those fees from your withdrawal proceeds before remitting the net amount to you.

Generally, if the payment for your withdrawal proceeds is returned to us and remains outstanding for 1 month, we may reinvest the proceeds in the Fund. Any reinvestment of a withdrawal amount will be processed using the investment unit price current at the time of the reinvestment transaction. For more information on unit prices, refer to 'How unit prices are calculated' below.

We may determine that some or all of the withdrawal amount consists of income (which may include net capital gains), rather than capital of the Fund. We will advise you when this is the case as soon as practicable after the end of the financial year in which the withdrawal occurred.

We have the discretion to transfer assets of the Fund to you (instead of cash) in payment (partly or fully) of the proceeds of your withdrawal request less any costs for the transfer.

We have the right to compulsorily redeem units in issue, if we give at least 30 days prior written notice to affected investors.

Withdrawals from the Underlying Fund

The Fund's investment in the Underlying Fund will be by way of a shareholding in the Underlying Fund and is therefore subject to the withdrawal regime of the Underlying Fund.

The Underlying Fund offers a share repurchase program whereby it makes quarterly offers to repurchase between 5% and 25% of its outstanding shares at NAV (**Repurchase Offer**) pursuant to Rule 23c-3 under the 1940 Act, unless such offer is suspended or postponed in accordance with regulatory requirements.

In connection with any given Repurchase Offer, we expect that the Underlying Fund will offer to repurchase only the minimum amount of 5% of its outstanding shares. Quarterly Repurchase Offers occur in the months of March, June, September and December. The Repurchase Offer program is a fundamental policy of the Underlying Fund that may not be changed without the vote of the holders of a majority of the Underlying Fund's outstanding voting securities.

Written notification of each quarterly Repurchase Offer is sent to shareholders of the Underlying Fund at least 21 calendar days before the repurchase request deadline (i.e., the date by which shareholders can tender their shares in response to a Repurchase Offer). The Underlying Fund expects to determine the NAV applicable to repurchases on the repurchase request deadline.

If shareholders tender for repurchase more than the Underlying Fund offers to repurchase for a given Repurchase Offer (expected to be 5%), the Underlying Fund may, but is not required to, repurchase an additional amount of shares (**Additional Amount**) and such Additional Amount must not exceed 2.00% of the outstanding shares of the Underlying Fund on the repurchase request deadline. The Underlying Fund will repurchase tendered shares on a pro rata basis if the amount tendered exceeds the aggregate of the Repurchase Offer amount and the Additional Amount (if any). The unsatisfied portion of a pro-rated repurchase request will be cancelled and shareholders can tender for repurchase at subsequent Repurchase Offers. The Underlying Fund may accept all shares tendered for repurchase by shareholders who own less than one hundred shares and who tender all of their shares, before prorating other amounts tendered.

Delay of withdrawal payments from the fund

Withdrawals from the Fund are normally paid within seven NSW business days of processing a valid withdrawal request; however, we do not guarantee this timeframe and we may take significantly longer to process and pay withdrawals in certain circumstances.

Withdrawals may be delayed in the following circumstances:

- under the Constitution, we have up to 1,458 days from the Withdrawal Effective Date to satisfy a withdrawal request, being the period of three and a half years together with a period of 180 days during which we can suspend withdrawals (refer to 'Suspending withdrawals' below);
- once a withdrawal request has been processed and the units redeemed, the responsible entity will satisfy the withdrawal request by paying the withdrawal proceeds within 21 days of the date on which the withdrawal request is processed;
- we can also spread withdrawal payments, generally over four quarters (refer to 'Spreading withdrawals' below); or
- if the Fund becomes illiquid, we are not required to pay withdrawals unless we offer to do so (refer to 'If the Fund becomes illiquid' below).

Where multiple delays are applicable, timeframes may apply cumulatively.

Additionally, if we did not receive all required identity verification documents at the time of investment or your withdrawal request is incomplete, we may not process your withdrawal request until these documents are received or further requirements are met.

Suspending withdrawals

We may suspend withdrawal requests for up to 180 days where:

- it is impracticable for us to calculate the Fund's net asset value (and hence unit prices);
- we reasonably estimate that we must sell 5% or more (by value) of all the Fund's assets to meet withdrawals;
- any fund or other investment vehicle or arrangement that the Fund invests in as part of the Fund's assets (including

- the Underlying Fund) has suspended or otherwise restricted and/or delayed suspensions or withdrawals of such investment;
- there have been, or we anticipate there will be, withdrawal requests that will require us to realise a significant amount of the Fund's assets and we consider that if those requests are met immediately, this may either place a disproportionate expense or capital gains tax burden on remaining investors or meeting the requests would impact negatively on the price we would achieve in selling the Fund's assets or otherwise disadvantage remaining investors;
- we reasonably consider it to be in the interests of investors to do so; or
- the law otherwise permits.

Any withdrawal requests received during a period of suspension, or for which a unit price has not been calculated or confirmed prior to the commencement of a period of suspension, will be deemed to have been received immediately after the end of the suspension period.

Spreading withdrawals

Under the Constitution, we may, if we consider it to be fair to all unitholders, spread the redemption of some or all of the relevant units across more than one redemption date. Generally, we may spread a withdrawal request where:

- we receive a withdrawal request for the value of 5% or more of the number of units on issue;
- we receive, on any day, withdrawal requests that in total represent 10% or more of the number of units on issue;
- there have been, or we anticipate that there will be, withdrawal requests for 10% or more of the total units on issue in the Fund and we consider that if those requests are met rapidly this may either place a disproportionate expense or capital gains tax burden on remaining investors or meeting the requests would impact negatively on the price we could achieve in selling Fund assets or otherwise disadvantage remaining investors.

When we spread withdrawals, we may determine that a withdrawal request is four separate requests, each for a quarter (or as close to a quarter as we determine) of the total number of units in the original withdrawal request.

Each of the four (deemed) withdrawal requests will be deemed to be received by us on the same business day of the month (or next business day, if not a business day or if that day does not occur in that month) in each of the four succeeding months following the original withdrawal request.

If the Fund becomes illiquid

If the Fund is not liquid (as defined in the Corporations Act), unitholders will only be able to withdraw from the Fund if we make an offer of withdrawal to unitholders. If we do make such an offer, unitholders may only be able to withdraw part of their investment. There is no obligation for us to make withdrawal offers.

Under the Corporations Act, the Fund is regarded as liquid if liquid assets account for at least 80% of the value of the assets of the Fund. Liquid assets generally include money in an account or on deposit with a bank, bank-accepted bills, marketable securities and property of the kind prescribed under the Corporations Act.

As at the date of this PDS, the Responsible Entity expects that the Fund will be liquid.

Additional information about transactions

Transferring ownership

Direct Investors

You can generally transfer some or all of your investment to another person in such a manner and subject to such conditions as required by law and that we, from time to time, prescribe. We are not obliged to register a transfer that does not meet these criteria, or where there is an amount payable to us by the transferee or the transferor (as applicable) in respect of the units being transferred. We recommend that you obtain your own professional advice regarding your position before transferring some or all of your investment, as tax and social security laws are complex and subject to change, and investors' individual circumstances vary.

Please contact us for further information about transferring units.

Indirect Investors

Contact the platform operator if you wish to transfer your units.

Transaction cut-off times

Direct Investors

Application transaction cut-off time

Valid application requests received in our Sydney office before 3:00pm (Sydney time) on a NSW business day, (referred to as the **application transaction cut-off time**), will usually be processed using the unit price determined as at the close of business on that day. If valid requests are received after the application transaction cut-off time, or on a non-business day, it will usually be processed using the applicable unit price calculated as at the close of business on the next business day.

Withdrawal Request Deadline

Valid withdrawal requests received in our Sydney office before 3:00pm (Sydney time) on the last NSW business day of the quarter (**Withdrawal Request Deadline**) will usually be processed using the unit price determined as at the close of business on the applicable Withdrawal Effective Date. The Withdrawal Effective Date will be determined based on the withdrawal date of the Underlying Fund, and will generally be on or around the 15th NSW business day of the first month of each calendar quarter. If a withdrawal request is received after the Withdrawal Request Deadline, the withdrawal request will be rejected, unless we determine otherwise.

Indirect Investors

You should contact your IDPS operator for information regarding transaction cut-off times.

Online transacting terms and conditions

Direct Investors

You should understand that a person without your authority could login to your account via InvestorServe and, by pretending to be you, make changes to your account.

We take care when acting on instructions. In doing so, we have in place internal policies and procedures designed to reduce the risk that fraud may be committed in relation to your account. We currently only allow withdrawals to be made via the Fidante Withdrawal Request Form or in writing.

In using the online transacting facility, you agree that we are not responsible to you for any fraudulently completed communications and that we will not compensate you for any losses if we have complied with internal policies and procedures, and we have not been negligent, fraudulent or dishonest.

We will only act on completed communications that we receive.

If the details of the bank account quoted at the time of making a withdrawal do not match the nominated bank account we have on file, the withdrawal will not proceed. You can change your bank account details online via InvestorServe or in writing. If you lodge a withdrawal request within 90 days of changing your bank account on file, we will follow up with a call before processing the request.

We may cancel or vary these requirements by giving you notice in writing.

Indirect Investors

You should contact the platform operator for information regarding how to transact.

Changes to permitted transactions

We can vary the minimum investment amounts for the Fund at any time and can also change the application cut- off time or Withdrawal Request Deadline. Under the Constitution, we can refuse applications or withdrawals for any reason. In particular, where we consider it to be in the interests of unitholders (such as an inability to value the Fund), we may suspend application or withdrawal requests. Any application or withdrawal request received during the period of suspension, or for which a unit price has not been calculated or confirmed prior to the commencement of a period of suspension, will be deemed to have been received immediately after the end of the suspension period.

Keeping you informed

You can access your account information through the secure online access system InvestorServe, which is available 24 hours a day, 7 days a week. InvestorServe is a secure online service which provides access to up-to-date information about your investments.

Through InvestorServe you can:

- view your account balances and transaction histories;
- view all confirmations and statements relating to the Fund and your investment (this includes distribution and tax statements, transaction confirmations);
- view your quarterly periodic statement;
- view and change your contact details including banking details and distribution payment preference;
- select the way you would prefer us to communicate with you; and
- if applicable, set up, modify or cancel your Regular Investment Plan.

At any time, you may request a paper copy of any statement or confirmation by calling the Fidante Investor Services Team on 1300 721 637. We recommend that you check all statements and transaction confirmations carefully. If there are any discrepancies, please contact us or your financial adviser.

Indirect Investors

Please contact the platform operator for information regarding your investment in the Fund.

Keeping us informed

Direct Investors

Our records about you are important.

Please ensure your personal details on your account are up to date. You can update these details via InvestorServe at any time. This includes a new postal address, a change of name or new bank account details. We will send you confirmation of any changes that you request us to make to your personal details.

Indirect Investors

As an Indirect Investor, you should notify the platform operator of any changes to your personal details.

What happens if you choose not to disclose certain information?

If you choose not to disclose certain information, the following may apply:

- Account details: we will not be able to pay withdrawal proceeds or income distributions to you.
- Tax residency information: we may not be able to process your request, or we may be required to notify the ATO.
- Incomplete application form: unless otherwise agreed, we will not be able to process your investment request.
- If you do not provide all relevant identity verification documents, we will not be able to process your investment request.

For Australian resident investors, if you choose not to disclose your TFN, TFN exemption or ABN, we may have to deduct tax at the highest marginal tax rate plus Medicare levy (and any other levies we are required to deduct, from time to time) from any amounts attributed or distributed to you (refer to 'Tax File Number' in 'How managed investment schemes are taxed').

Up-to-date information about the Fund

You can obtain up-to-date Fund performance, actual asset allocations and Fund size information from the Fund's regular report available at www.fidante.com.

A paper copy of any updated information will be given to you, without charge, on request by contacting us.

If the Fund is a "disclosing entity" under the Corporations Act, it will be subject to regular reporting and disclosure obligations. Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) in relation to the Fund may be obtained from, or inspected at, an ASIC office.

You can obtain copies of the Fund's most recent annual financial report by visiting the Fidante website. A paper copy of the Fund's annual financial reports, any continuous disclosure notices, and any half yearly financial report will also be given to you, without charge, on request.

As Responsible Entity of the Fund, we may be subject to continuous disclosure obligations that require us to make material information available to investors. You can obtain a copy of the Fund's continuous disclosure information by visiting the Fidante website.

How to exercise cooling-off rights

The repayment of your investment under the cooling-off right is subject to an adjustment for market movements (both positive or negative) during the period in which the investment has been held. We may also deduct a reasonable charge for our administration costs.

Direct Investors

If you are a Direct Investor and you wish to exercise the cooling off rights, we must receive your written instructions at our office before the expiry of the cooling-off period. This cooling-off right must be exercised within 14 days from the earlier of: when you receive confirmation of your investment; or the end of the fifth business day after the day on which your units were issued or sold to you.

Indirect Investors

If you are an indirect investor, you should seek advice from your financial adviser or platform operator about the cooling-off rights (if any) that might apply to your investment in or through the platform.

Wholesale clients

These cooling-off rights do not apply to wholesale clients (as defined in the Corporations Act). Please note that as an investor in the Fund you will not necessarily be a wholesale client for the purposes of the Corporations Act.

Additional information about making a complaint

As part of our commitment to providing quality service to our Investors, we endeavour to resolve all complaints quickly and fairly. Our policy is to acknowledge any complaint within 24 hours or as soon as practical after receiving it and investigate, properly consider, and decide what action (if any) to take and to provide a final response to you within 30 calendar days for standard complaints. If you have a particular complaint regarding your investment, please do not hesitate to contact us by calling the Fidante Investor Services Team on 1300 721 637 or by writing or emailing to:

Complaints and Disputes Resolution Officer

C/- Fidante
GPO Box 3993
Sydney NSW 2001
E: info@fidante.com.au

If you are not satisfied with our response or how the complaint has been handled (or we have not responded within 30 days) you may contact the following external dispute resolution scheme.

The Australian Financial Complaints Authority (AFCA)

GPO Box 3
Melbourne VIC 3001
Tel: 1800 931 678
www.afca.org.au
email: info@afca.org.au

AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Indirect Investors may either contact the platform operator or us with complaints relating to the Fund. Complaints regarding the operation of the platform should be directed to them. If a complaint is first raised with the platform operator and an Indirect Investor is not happy with how the complaint has been handled, the Indirect Investor will need to raise that with the platform operator or the platform operator's external dispute resolution service.

HOW MANAGED INVESTMENT SCHEMES ARE TAXED

The Australian tax commentary below is of a general nature and is based on our understanding of the Australian tax laws, as at the date of this document, as they relate to Australian resident individual taxpayers who hold their investment on capital account. Any information contained therein should be used as a guide only and does not constitute professional taxation advice as individual circumstances may differ. Fidante is not a registered tax (financial) adviser and is not licensed or authorised to provide tax advice. We recommend that you obtain your own professional advice regarding your position, as tax and social security laws are complex and subject to change, and investors' individual circumstances vary.

Taxation of the Fund

The Attribution Managed Investment Trust (**AMIT**) legislation applies to qualifying Managed Investment Trusts (**MITs**) that make an irrevocable election to become an AMIT. The Responsible Entity has elected for the Fund to be an AMIT.

An AMIT must attribute its taxable income to investors on a fair and reasonable basis, and investors are advised of their share of the taxable income via an AMIT Member Annual Statement (**AMMA Statement**). The Fund will generally not be liable to pay income tax on its taxable income on the basis that it will attribute all determined trust components (i.e. assessable income, exempt income and non-assessable non-exempt income) to members each year. If the Fund were to cease being an AMIT, it should also generally not be liable to pay income tax on the basis that unitholders are presently entitled to the Fund's distributable income.

Other key features of the AMIT regime include: income character retention; deemed fixed trust status; an ability for adjustments and errors at the trust level to be carried forward and dealt with in the year in which they are discovered; adjustments (upwards and downwards) made to investors' cost bases for CGT purposes, and their costs for revenue purposes, where there are differences between the amount distributed and the amount attributed on an AMMA Statement; and clarification of the treatment of tax deferred distributions.

The Fund will be investing in the Underlying Fund, cash and hedging instruments. It is expected that the majority of the returns to the Fund will be ordinary income rather than capital gains.

The MIT capital account election regime permits eligible MITs to make an irrevocable election to adopt capital account treatment for certain types of assets (broadly shares, units and real property) for income years to which the election applies. In view of the investment management approach adopted in respect of the assets held in relation to the Fund, we, as Responsible Entity of the Fund, do not intend to make an irrevocable election in respect of the Fund and the assets held by the Fund will be held on revenue account rather than capital. Accordingly, it is not expected that the Fund will attribute net realized capital gains to investors. Rather any net realised gains derived by the Fund will be attributed as ordinary income.

Additionally, there is arm's length income legislation that applies to MITs. Under this legislation, excess income generated by a MIT from non-arm's length arrangements may be determined to be subject to tax at 30%. It is not expected that the arm's length income provisions will impact the Fund.

The Taxation of Financial Arrangement (**TOFA**) provisions apply on a mandatory basis to qualifying taxpayers in respect of certain financial arrangements. Broadly, the TOFA provisions recognise certain gains and losses on financial arrangements on an accruals basis, which may result in a taxing point prior to the realisation of the investment. As at the date of this document, we, as Responsible Entity of the Fund, have not made an election to apply one of the elective methods under TOFA.

Tax losses incurred by the Fund will remain in the Fund and can be applied to reduce the Fund's income in future years (subject to the Fund satisfying the specific provisions of the trust loss carry forward legislation).

Tax position of Australian resident investors

You will generally be required to include in your assessable income your attributed income of the Fund. There may be instances where your attributed share of the taxable income of the Fund exceeds the distribution you receive from the Fund.

Where investors disagree with the allocation of taxable income in an AMMA Statement, they may give a 'member choice' to the Commissioner of Taxation. In the event investors make a member choice, the Constitution provides that the investors will indemnify us for all costs and liabilities incurred as a result of the member choice.

The investment in the Underlying Fund should give rise to assessable distributions to the Fund. In certain circumstances, an Australian investor in an offshore fund can be attributed the income earned by the offshore fund and be assessable on such amounts irrespective of whether any amounts are distributed by that offshore fund. If these circumstances arise in respect of the Fund's investment in the Underlying Fund, investors in the Fund may be attributed on amounts greater than the cash distributions and tax offsets received.

CGT cost base reductions or uplifts may occur where taxable income attributed is either less than or greater than, respectively, the total of both cash distributed and tax offsets attributed for an income year. Where cost base reductions or uplifts occur, this will affect the CGT position of the investment. For those investors who have a zero cost base in their units, or where the total cost base reduction amount exceeds the cost base of their units, a capital gain may arise to these investors for that year.

Investors should maintain records of their cost base adjustments. You may also be entitled to foreign tax offsets attributed by the Fund. Provided investors satisfy certain provisions of the Tax Act, investors may be able to utilise these offsets against their tax liability on the taxable components of the distributions. In order to claim the amount of tax offsets, investors must include the amount of the offsets in their assessable income.

We will advise each investor of their share of tax offsets in the AMMA statement.

The disposal of units (for instance by withdrawal or transfer) may give rise to a capital gains tax liability or a capital loss. Investors who have held their units on capital account for more than 12 months may be entitled to a capital gains tax discount.

Non-resident account holder reporting requirements.

As a result of an increased international focus on account holder data exchange, a number of countries have legislated that financial institutions (which includes us) identify and report certain information about the financial accounts of investors. The regimes include the United States Foreign Account Tax Compliance Act (FATCA) and the OECD's Common Reporting Standard (CRS). To comply with our obligations under various reporting legislation we will provide to the ATO such data as required in respect of your investment with us. This will be required if you are a US citizen or a foreign tax resident of any jurisdiction outside of Australia. If we have attempted to confirm your tax status with you but have been unable to do so, we may still be required to notify the ATO.

Goods and Services Tax (GST)

GST is not payable on the issue, withdrawal or transfer of units in the Fund, as these are input-taxed financial supplies for GST purposes. However, GST will generally be incurred on various acquisitions made by the Fund, including the acquisition of investment management services. In certain specified circumstances, the Fund may be entitled to input tax credits (ITCs), or reduced input tax credits (RITCs) at the prescribed percentage of 55% or 75% depending on the acquisition. Any available ITCs or RITCs effectively reduce the non-recoverable GST cost incurred.

Tax file number.

On your application form you may provide us with your Tax File Number (TFN), or TFN exemption. Alternatively, if you are investing in the Fund in the course of an enterprise, you may quote an Australian Business Number (ABN). It is not compulsory for you to quote a TFN, exemption or ABN, but if you do not, we are required to deduct tax from your attributed or distributed amounts at the highest marginal tax rate plus the Medicare levy (and any other levies we are required to deduct, from time to time). The collection of TFNs is authorised, and their use is strictly regulated, by tax and privacy laws. Non-residents are generally exempt from providing a TFN, however may be required to provide other information.

ADDITIONAL INFORMATION

How unit prices are calculated

Unit prices are determined in accordance with the Constitution and are usually calculated each NSW business day. The calculation of both the investment unit price and the withdrawal unit price is based on the net asset value (NAV) adjusted by the buy/sell spread. For information on buy/sell spreads, refer to 'Buy/sell spreads' in 'Additional explanation of fees and costs'.

For investment and withdrawal unit prices, the NAV is the value of all the Fund's assets attributed to the Fund less the value of the Fund's liabilities at the valuation time. When calculating the NAV, we must use the most recent valuations of the Fund's assets and the most recent determination of the liabilities. Where more than one class is on issue, the investment and withdrawal prices will be calculated for the relevant class using the NAV that is referable to that particular class.

The Fund's assets and liabilities are usually valued each NSW business day.

Generally, for unit pricing purposes, listed securities are valued using the last available market close price quoted on the relevant exchange. Other assets are generally valued at recoverable value. Any income entitlements, cash at bank, and any amount of Goods and Services Tax (GST) recoverable by the Fund from the Australian Taxation Office are also included in asset values used to calculate the investment and withdrawal unit prices.

Generally, for unit pricing purposes, liabilities are valued at cost. Liabilities also include an accrual for fees and for costs (if any) that an investor would ordinarily incur when investing in the Fund's underlying assets.

Where we receive a valid application request before the application transaction cut-off time, the unit price will generally be determined at the next valuation time after that transaction cut-off time. Similarly for withdrawals, where we receive a valid withdrawal request before the Withdrawal Request Deadline, the unit price will generally be determined at the next valuation time after the applicable Withdrawal Effective Date. This is typically referred to as 'forward pricing'.

In rare circumstances, we may suspend unit pricing where, acting in accordance with our Responsible Entity obligations to unitholders, we consider it impracticable to calculate a NAV.

We have a Unit Pricing Permitted Discretions Policy. The policy sets out how we will exercise any discretions in relation to unit pricing (such as, for example, how often we determine unit prices and valuation methodology). If we depart from our policy, we are also required to record details of this departure. You can obtain a copy of this policy or any recorded departures free of charge by calling us.

Additional information about distributions

If we pay a distribution, as a Direct Investor you may choose to have your distribution reinvested in additional units in the Fund or paid directly to your nominated account with an Australian financial institution. Unless you have indicated otherwise, we will reinvest your distributions.

As an Indirect Investor you should contact your IDPS operator for distribution payment or reinvestment options.

The price of units issued on reinvestment of distributions is the investment price for units next determined after the close of business on the last day of the distribution period. There is no buy/sell spread reflected in this investment price. The amount of each distribution may vary. Your share of any distribution depends on how many units you hold at the end of the relevant period as a proportion of the total number of units in the relevant class on issue at that time and the amount of distributable income referable to those units and that class.

As distributable amounts are a component of the unit price, unit prices normally fall by the distribution amount following a distribution.

The amount of income distributed each year will generally be the distributable income received by the Fund unless we decide to distribute a different amount. Any net capital gains derived by the Fund during the financial year are generally distributed in the June distribution period.

If you invest just prior to a distribution payment, you may receive some of your investment back immediately as income. Conversely, if you withdraw from the Fund just before a distribution, you might turn income into a capital gain or reduce your capital losses.

Under the Constitution, we have the power to make reinvestment of distributions compulsory. At the date of this document, we have no intention of introducing compulsory distribution reinvestment. We have the discretion to transfer assets of the Fund to you (instead of cash) in payment (partly or fully) for a distribution amount.

Generally, if any distribution payments are returned to us and remain outstanding for 1 month, we may reinvest those distributions and amend your future distribution method to reinvest.

Generally, if any distribution payments made by electronic transfer of funds is unsuccessful three times, the money may be reinvested and your future distribution payment method will be updated to re-invest.

Any reinvestment of an unclaimed or returned distribution will be processed using the investment unit price current at the time of the reinvestment transaction.

If you wish to change your distribution payment instructions, please follow the process outlined below.

Direct Investors

Please log into InvestorServe to update your details.

Indirect Investors

Please contact your platform operator for the documentation required.

How the Fund is governed

The Constitution, together with the Corporations Act and other laws, governs the way in which the Fund operates, including the rights, responsibilities and duties of the Responsible Entity and unitholders.

The Constitution

The Constitution contains the rules relating to a number of issues including:

- unitholder rights;
- the process by which units are issued and redeemed; the calculation and distribution of income;
- the investment powers of the Responsible Entity;
- the Responsible Entity's right to claim indemnity from the Fund and charge fees and expenses to the Fund;
- the creation of other classes of units; and the termination of the Fund.

It is generally thought that unitholders' liabilities are limited to the value of their holding in the Fund. It is not expected that a unitholder would be under any obligation if a deficiency in the value of the Fund was to occur. However, this view has not been fully tested at law.

Unitholders can inspect a copy of the Constitution at our head office or we will provide a copy free of charge, on request.

We may alter the Constitution if we reasonably consider the amendments will not adversely affect unitholders' rights. Otherwise (subject to any exemption under the law), we must obtain unitholder approval at a meeting of unitholders.

We may retire or be required to retire as Responsible Entity if unitholders pass a resolution approving our removal.

Termination

The Constitution, together with the Corporations Act, governs how and when the Fund may be terminated. We may terminate the Fund at any time by written notice to unitholders. On termination, a unitholder is entitled to a share of the net proceeds of our realisation of the assets in proportion to the number of units they hold in the Fund.

Unitholder meetings

The conduct of unitholder meetings and unitholders' rights to requisition, attend and vote at those meetings are subject to the Corporations Act and (to the extent applicable) the Constitution.

Compliance plan and compliance committee

We have lodged the Fund's compliance plan with ASIC and established a compliance committee for the Fund with a majority of external members. The compliance plan sets out how we will ensure compliance with both the Corporations Act and the Constitution.

The compliance committee's role is to monitor compliance with the compliance plan. It must also regularly assess the adequacy of the compliance plan and report any breaches of the Corporations Act or the Constitution to us. If we do not take appropriate action to deal with the breach, the compliance committee must report the breach to ASIC.

The Fund and the compliance plan are required to be audited annually.

Other parties

Other parties - fund administrator

We have also engaged a third party fund administrator that is responsible for back office, fund accounting, and other administrative services, including unit price calculations, distribution calculations and performance reporting.

Other parties - custodian

In addition we have also appointed a third party custodian to hold the custodial assets of the Fund. The custodian has no independent discretion with respect to the holding of custodial assets and is subject to performance standards.

Other parties - registry

We have engaged a third party registry provider that is responsible for maintaining the register of unitholders which includes all details of an investor's account and investments. The registry provider is responsible for sending all correspondence related to unitholders investments as well as providing customer service support.

Other parties - auditor

We have also appointed a registered company auditor. The auditor's role is to provide an audit of the financial statements of the Fund each year, as well as performing a half-yearly review (if required), and to provide an opinion on the financial statements.

Related parties

We may enter into transactions with, and use the services of, any of our related bodies corporate (as defined in the Corporations Act). Such arrangements will be based on arm's length commercial terms and will be for reasonable remuneration. We, Ares, or any of our respective related bodies corporate, or any director, officer or employee of any of them may invest in the Fund.

Material Contracts

Investment management deed

Under the investment management deed (Investment Management Deed), Fidante Partners appoints AAM as the Manager to perform investment management services to the Fund. The Investment Management Deed sets out AAM' duties and powers (including the power to delegate any of its management powers under the Investment Management Deed), indemnities and any fees payable between Fidante Partners, AAM and Ares Capital.

AAM will invest and manage, or appoint Ares Capital as the sub-adviser to invest in and manage, the assets of the Fund in accordance with the investment instructions, objectives and asset allocations outlined in the Investment Management Deed. AAM may also perform certain audit, compliance and risk management functions and sales and marketing activities on behalf of the Fund. For performing the investment management services, AAM will be entitled to be paid certain fees, reimbursed for certain expenses and indemnified for costs, charges and expenses by Fidante Partners as set out in the Investment Management Deed. Ares Capital as sub-adviser of the Fund is also entitled to be reimbursed for certain expenses by Fidante Partners under the Investment Management Deed.

AAM may terminate the Investment Management Deed by providing Fidante Partners no less than 20 business days written notice of the termination (or such lesser notice period as the parties agree). Fidante Partners may terminate the Investment Management Deed by providing no less than 20 business days written notice (or such lesser notice period as the parties agree) where AAM is unable to comply with the investment instructions given by Fidante Partners in accordance with the Investment Management Deed, where Fidante Partners is required to do so at any time or if Fidante Partners considers it reasonably necessary to do so in order to ensure compliance with its duties and obligations under relevant law. Fidante Partners may also terminate the Investment Management Deed at any time by written notice to AAM as a result of default event by AAM (as outlined in the Investment Management Deed) or in circumstances where Ares ceases to hold any necessary licenses, authorisations or exemptions to perform investment management services.

Sub-adviser deed

AAM has delegated the investment management of the Fund to Ares Capital as its sub-adviser pursuant to the sub-advisory deed (Sub-Adviser Deed). The Sub-Adviser Deed sets out Ares Capital's duties, powers and indemnities. Ares Capital is not entitled to be paid any fees under the Sub-Adviser Deed for performing the investment management services but Ares Capital's and/or its related entities may receive direct or indirect benefits in connection with Ares Capital's provision of services under the Sub-Adviser Deed. Ares is entitled to be indemnified for costs, charges and expenses by AAM incurred in connection with the Sub-Adviser Deed.

Under the Sub-Adviser Deed, Ares Capital may enter into financial markets transactions, including Derivatives on behalf of Fund. Ares Capital may also enter into borrowing arrangements on behalf of the Fund for the purposes of meeting FX hedging positions.

AAM may terminate the Sub-Adviser Deed at any time by giving Ares Capital no less than 5 business days written notice of termination and may terminate by written notice immediately as a result of a default event by Ares Capital (as outlined in the Sub- Adviser Deed). Ares Capital may terminate the Sub-Adviser Deed by giving AAM no less than 20 business days written notice of termination (or such lesser notice period as the parties agree). The Sub-Adviser Deed will automatically terminate at the termination of the Investment Management Deed.

Other important information

Indirect Investors

Investors accessing the Fund through platforms that are an IDPS or IDPS like scheme do not become unitholders in the Fund, nor do they acquire the rights of a unitholder. It is the platform operator that acquires those rights and can exercise or decline to exercise them on behalf of Indirect Investors.

To invest, Indirect Investors need to complete the documentation which their platform operator requires. Before investing, please ensure you read and understand the Fund's PDS and TMD as well as the platform operator's documentation as that explains their services and fees.

Please contact the relevant platform operator directly with any enquiries.

Privacy

We collect personal information from you and, if relevant, from your financial adviser. We may take steps to verify the information collected. Where you provide us with personal information about someone else (for example, your power of attorney, or related persons including the beneficial owners connected with your investment) you must have their consent to provide their personal information to us.

We will use your personal information to:

- process your application;
- provide and administer your investment and send you information;
- improve and personalise our products and services;
- conduct product and market research;
- inform you about other products and services that may be useful to you; and
- comply with our obligations under the law, including with respect of anti-money laundering, financial services and taxation laws.

If you decide not to provide certain information, we may not be able to process your investment or future withdrawal requests or will have to deduct tax from any amounts attributed or distributed to you at the highest marginal tax rate plus the Medicare levy (and any other levies we are required to deduct, from time to time).

Disclosing your information

We disclose your information to your financial adviser.

In addition, we may disclose information we hold about you:

- if you consent to the disclosure;
- if the disclosure is required or authorised by law;
- to our appointed registry services provider or organisations acting on our behalf (for example, external mail houses we may use to mail correspondence);
- to professional service firms that provide services to us such as legal and audit services, or data or information services;
- to related companies and/or the investment manager that may also provide you with a financial product or financial service;
- to electronic identity verification service providers, in order for identity information (about you or related persons connected with your investment) to be verified against relevant government and other databases, for the purpose of complying with anti-money laundering laws; or
- We collect personal information from you and, if relevant, from your financial adviser. We may take steps to verify the information collected. Where you provide us with personal information about someone else (for example, your power of attorney, or related persons including the beneficial owners connected with your investment) you must have their consent to provide their personal information to us.
- otherwise in accordance with our Privacy Policy.

From time to time we or our related companies may contact you to tell you about other products and services that might be useful to you, including financial, superannuation, investment, insurance and funds management products and services.

Please contact us (our details are noted in this PDS) if you do not want to receive any of this kind of marketing material.

For information on how you can correct or update the personal information we hold about you refer to 'Keeping us informed' in this PDS and our 'Privacy Policy' available at www.fidante.com and our third party registry providers privacy policy for more information.

Our Privacy Policy contains further details about our handling of personal information and about how you can request access to it or lodge a complaint if you believe your personal information has been misused, and how we deal with complaints.

We do not normally receive any personal information about you when you invest in the Fund through a platform operator. For details on the collection, storage and use of personal information by a platform operator you should contact them directly. The information we collect and store from platform operators is used to establish and administer its investments. If we do receive any personal information we will deal with it in accordance with our Privacy Policy.

GLOSSARY

Term	Meaning
1940 Act	Investment Company Act of 1940 (U.S.)
AAM	Ares Australia Management Pty Limited
Additional Amount	An additional amount the Underlying Fund may, but is not required to, repurchase for a given Repurchase Offer
Advisers	The investment adviser and sub-adviser to the Underlying Fund
Advisers Act	Investment Advisers Act of 1940 (U.S.)
AMIT	Attribution Managed Investment Trust
Application transaction cut-off time	3.00pm (Sydney time) on a NSW business day
Ares	Each of AAM, Ares Capital and/or Ares Management, as appropriate.
Ares Capital	Ares Capital Management II LLC
Ares Management	Ares Management Corporation
ASIC	Australian Securities and Investments Commission
AWMS	Ares Wealth Management Solutions
CAM	CION Ares Management LLC
CLO's	Collateralised loan obligations that are primarily backed by corporate leverage loans
Corporate Bonds	A financial product whereby an issuer of corporate bonds typically pays the investor a fixed rate of interest and must repay the amount borrowed on or before maturity. The investment return of Corporate Bonds reflects interest on the security and changes in the market value of the security. The market value of a Corporate Bond generally may be expected to rise and fall inversely with interest rates. The value of intermediate – and longer-term Corporate Bonds normally fluctuates more in response to changes in interest rates than does the value of shorterterm Corporate Bonds. The market value of a Corporate Bond also may be affected by investors' perceptions of the creditworthiness of the issuer, the issuer's performance and perceptions of the issuer in the market place.
Corporations ACT	Corporations Act 2001 (Cth)
Derivatives	A financial product that has a value derived from another security, liability or index
EFT	Electronic funds transfer
Fee Deed	The fee deed between Fidante Partners (in its personal capacity), AAM, Ares and CAM dated on or around 13 November 2020 as amended, updated, varied or replaced from time to time, for the payment of certain fees in connection with the establishment, promotion and distribution of the Fund
Fidante Partners	Fidante Partners Limited in its capacity as responsible entity of the Fund
Fund	Ares Diversified Credit Fund
GAAP	Generally accepted accounting principles

Term	Meaning
GST	Goods and Services Tax
Intermediary	Investment platforms
Investment Management Deed	The investment management deed between Fidante Partners and AAM dated on or around 13 November 2020 as amended, updated, varied or replaced from time to time, in relation to the provision of investment management services by AAM for the Fund.
ITC's	Input tax credits
Managed Assets	Managed Assets means the total assets of the Underlying Fund (including any assets attributable to any preferred shares that may be issued or to indebtedness) minus the Underlying Fund's liabilities other than liabilities relating to indebtedness.
Maximum amount	The maximum amount of withdrawal proceeds the Responsible Entity may determine to make available from the Fund each Withdrawal Period
NAV	Net asset value
New Withdrawal Request	Withdrawal requests lodged in subsequent Withdrawal Periods for any unmet portion of an investors withdrawal request
Post – reorganization securities	Public and private stock issued in connection with restructurings and reorganisations or otherwise
PDS	Product Disclosure Statement
PRI	The PRI Association
Repurchase Offer	The quarterly share repurchase program offered by the Underlying Fund
Residual Tranche	The "equity" of structured credit products (including CLOs) referring to the junior-most or residual debt tranche of such structured (i.e. the tranche whose rights to payment are not senior to any other tranche, which does not typically receive a credit rating and is typically not secured)
RITC's	Reduced input tax credits
SEC	The U.S. Securities and Exchange Commission
Sub-Adviser Deed	The sub-adviser deed between Ares Capital and AAM dated on or around 13 November 2020 as amended, updated, varied or replaced from time to time, in relation to the provision of investment management services by Ares for the Fund.
Syndicated Loans	Means senior, secured corporate loans that generally benefit from liens on collateral. Such loans are typically rated below-investment grade and typically pay interest at rates that are determined periodically on the basis of a floating base lending rate, plus a spread.
Underlying Fund	CION Ares Diversified Credit Fund
Withdrawal Effective Date	The date on which a withdrawal (or a portion of a withdrawal) with be accepted or rejected, generally expected to occur on or around the 15th NSW business day of the first month of each calendar quarter
Withdrawal Period	Quarterly
Withdrawal Request Deadline	The date by which withdrawal requests must be received by the Responsible Entity, generally 3.00pm (Sydney time) on the last NSW business day of a quarter

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ARES Wealth Management Solutions