

PRODUCT DISCLOSURE STATEMENT FOR THE

Medallion Australian Equities Growth Fund

ARSN: 661 996 112 | APIR CODE: MSC2414AU | ISIN: AU60MSC24141 | DATED 22 DECEMBER 2022

Contents

1. About Melbourne Securities Corporation	2
2. How the Medallion Australian Equities Growth Fund works	2
3. Benefits of investing in the Fund	3
4. Risks of managed investment schemes*	3
5. How we invest your money	4
6. Fees and costs*	5
7. How managed investment schemes are taxed*	7
8. How to apply*	7
Additional information*	7
Contact	8

Snapshot

The Medallion Australian Equities Growth Fund (the Fund) is an Australian listed equities fund managed by Medallion Funds Management Pty Ltd ABN 62 654 522 175 (Medallion, the Portfolio Manager). The Fund is designed to give investors Australian listed equities exposure. The Fund invests primarily in a carefully constructed and actively traded portfolio of ASX 300 listed stocks. The Fund is sector agnostic but seeks diversification across sectors and through a wide spread of stocks.

The goal is to outperform the S&P/ASX 200 after Management Fees and Usual Expenses. The ongoing management fee is 1.50% p.a., with a performance fee of 20% Fund outperformance, with the protection of a rolling high-water mark. Investors can be any type: individuals, family trusts, companies, or super funds. There is daily applications and withdrawal processing, and you can invest online with as little as \$25,000.

<https://medallionfund.apexgroupportal.com/apply>

What to read

- This is the Fund's product disclosure statement (PDS). It summarises significant information about the Fund and is designed to help you make an informed decision whether to invest or not. The layout is similar to many other PDSs, and for the most part, this is set by law.
- In reading this document, you will from time to time notice some references marked with an asterisk (*). This is referring you to further important information about that topic, contained in the Information Booklet for the Fund.
- The Information Booklet forms part of this PDS. The term 'PDS' includes the Information Booklet as well. A Target Market Determination (TMD) explains who is the intended type of investor for this fund. It accompanies this PDS.
- Each of the documents mentioned above is important. Each is available free from the Fund Manager's and/or the Portfolio Manager's website. You should read this PDS and the TMD carefully before making a decision about the Fund.
- If you make the PDS available to someone else, please make the entire PDS available. That's the only way they too can make an informed investment decision.

Know who is who

Each document has been prepared by Melbourne Securities Corporation Limited ACN 160 326 545 | AFSL 428 289 (MSC Trustees, the Responsible Entity). Sanlam Investments (Australia) Pty Ltd ABN 72 160 042 222 (Sanlam, the Fund Manager) has been appointed as the manager of the Fund, but it is the Portfolio Manager Medallion (appointed by Sanlam) who practically manages the Fund's investments on a daily basis.

Apex Fund Services Pty Ltd, ABN 81 118 902 891, AFSL 303253 (Apex, the Administrator) has been appointed as the administrator and independent custodian to hold assets of the Fund. Apex's custody role is limited to holding the assets of the Fund as agent for the Responsible Entity. Apex has no supervisory role in relation to the operation of the Fund and is not responsible for protecting your interests.

Seek advice as you may need

This PDS is for general information only. It does not take into account your particular objectives, financial situation or needs, and is not a recommendation to invest. You should consider the appropriateness of the Fund having regard to your own objectives, financial situation and needs.

You should read the entire PDS, and speak to a financial adviser, before proceeding to acquire or dispose of units in the Fund. A financial adviser will look at your particular objectives, financial situation and needs, and can help you make sure this investment is the right one for you. The Portfolio Manager can suggest a professional financial adviser if you wish – contact them direct.

Risk

- Investing involves risk. This is a medium to higher risk investment. Neither returns nor the money you invest is guaranteed. You can make money, but you can also lose money.
- The value of your investment will change up and down as the market value of the assets of the Fund fluctuates. The speed at which this happens is often called volatility. Higher volatility means value is expected to go up and down more quickly, and perhaps significantly. This is a medium to higher volatility fund.
- Being patient often helps with risk and volatility. The suggestion for this fund is that you invest for at least 3 years.

The past and the future

Past events – for example, how well a stock or this fund performed – can be an unreliable predictor of the future. Keep this in mind when considering historical matters.

Statements about the future are always based on what is thought reasonable at the time. But the future is uncertain. Keep this in mind when considering statements about what may happen and what is intended.

Already using an administration platform?

Your professional adviser may have helped you establish an account with an administration platform (such as a managed discretionary account or an investor directed portfolio service). In this PDS, these are called Administration Platforms and persons who invest like this indirect investors. Indirect investors are not investors in the Fund. But indirect investors can access the Fund through their Administration Platform.

1. About Melbourne Securities Corporation

The Responsible Entity has appointed Sanlam as the manager of the Fund. In turn, Sanlam has appointed Medallion as the portfolio manager who will be responsible for managing the assets of the Fund and carrying out the Fund's investment strategy.

The Fund Manager

Sanlam Investments (Australia) Pty Ltd

Sanlam is an independent dedicated provider of financial services to the Australian investment markets, and is part of the Sanlam group, a leading South African financial services business with global reach, a 104-year history and more than \$50b in assets under management.

Sanlam has appointed Medallion as the sub-fund manager, or portfolio manager, for the Fund.

The Investment Team

Michael Wayne

Chief Investment Officer

Michael is managing director of Medallion Financial Group and Medallion's CIO.

With considerable experience in financial markets, specialising in financial strategies and investment management Michael and his team guides the management of the Fund's assets.

Prior to founding Medallion, Michael previously held roles at a leading investment bank and was Head



of Investments at a mid-tier investment advisory firm. He has been recognised by the various media organisations in Australia as a Stock Market expert, where he details his market insights daily across multiple business programs including on Sky News Business, Ausbiz and the Macquarie radio network. In addition to this he writes for some of Australia's notable financial publications and has conducted seminars for various industry bodies and associations such as the Australian Investors Association and Livewire Markets.

The Portfolio Manager

Medallion

Medallion is a private wealth firm focusing on Australian Equities. Medallion looks to provide a range of private wealth advisory services, with a particular focus on the equity and fixed income markets, both locally and internationally. Medallion's clients range from individuals, companies, families, trusts, SMSF's as well as charitable organisations and foundations.

Their investment approach has been strengthened by strategic partnerships with industry leaders. This enables them to provide clients with investment solutions across a range of investment opportunities.

The Responsible Entity

Melbourne Securities Corporation Ltd

MSC Trustees is the responsible entity of the Fund and the issuer of units in the Fund. MSC Trustees is responsible for operating the Fund and the Fund's compliance with the Fund's constitution (Constitution), the Corporations Act 2001 (Cth) (Corporations Act) and other relevant laws.

Stuart Bromley

Manager of the Fund's portfolio

Stuart is the manager of the Fund's portfolio, responsible for research, monitoring and investment recommendations.

With a passion for finance, Stuart's career began in IBM's corporate financing arm, providing tailored and complex corporate financing arrangements for IBM clients.

Stuart held senior management positions in two other businesses before bringing his wide skill-set



to his current role, as Portfolio Manager for the Fund as well as in Medallion Financials' Private Wealth Advisory Group. His private client advisor work with Medallion also focuses primarily on the ASX 300.

2. How the Medallion Australian Equities Growth Fund Works

A managed fund

The Fund is a managed investment scheme (or trust). When you invest your money in the Fund, it is mixed or pooled with the money of other investors who invest in the Fund. This larger pool of money is used to buy investments on behalf of all investors.

The Fund is an Australian unit trust. It is registered under the Corporations Act. An investor's interest in the Fund is represented by a number of units, each class of which has identical rights (such as a right to certain fees and to vote) and a value which will vary as the market value of assets in the Fund rises and falls. As a unit holder, each investor also has certain obligations. Investors have no direct interest in the assets of the Fund.

Mechanics

You can increase your investment by applying and paying for more units, and the number of units issued depends on the amount you invest and the unit price at the relevant time. You can decrease your investment by withdrawing (or redeeming), and the number of units redeemed depends on the amount you withdraw and the unit price at the relevant time.

You generally have access to your investment each Sydney business day, but in unusual circumstances (and even after your request is processed) there can be delays in payment.

This Fund may pay distributions quarterly (after the end of June, September, December, and March). An investor's entitlement is generally based on the number of units held by the investor at the end of the distribution period. Distributions are reinvested unless an investor instructs otherwise.

The price of units

Log into Apex's Investor Portal to check the latest prices

Remember that quoted unit prices will be historical and are unlikely to be the price you will receive when applying or withdrawing – that price could be higher or lower.

Unit prices will vary as the market value of the assets of the Fund fluctuates. The unit prices for issuing and withdrawing are slightly different: this difference is called the 'spread' and Section 6 of this PDS gives more detail.

Unit prices are calculated in 3 steps:

1. The value of the assets of the Fund is calculated, and value of the liabilities subtracted – this gives the net asset value.
2. This is divided by the number of units on issue, and
3. Adjustment is generally made for transaction costs (or spread).

There is a policy that sets out the guidelines and relevant factors and discretions for calculating unit prices. A copy (and records of any departures from the policy) is available free on request.

3. Benefits of investing in the Fund

Significant features and benefits			
Style	Australian listed equities fund	Risk	Medium to higher risk
Focus	ASX 300 listed stocks. Compelling small cap opportunities are also considered. Stocks anticipated to be listed within the following 12 months or so may also be acquired.	Volatility	Medium to higher volatility
Role	To provide core Australian listed equities exposure as part of an overall investment portfolio.	Suggested investment timeframe	3 years or longer.
Investment strategy	To generate strong, risk adjusted total returns – capital growth and income – primarily from a carefully constructed and actively traded portfolio of ASX 300 listed stocks.	Applications	Each Sydney business day
Investment objective	Outperform the S&P/ASX 200 after Management Fees and Usual Expenses.	Minimum initial investment	\$25,000
Investment style	Actively traded	Minimum additional investment	\$10,000
What the Fund invests in	A focus on ASX 300 Australian shares, with some potential for limited exposure to ASX listed small cap stocks, listed investment companies (LICs), and exchange traded funds (ETFs), and the potential to include stocks anticipated to be listed within the following 12 months or so.	Withdrawals	Accepted each Sydney business day, and generally processed within 3 Sydney business days of receipt of a completed withdrawal request, although there can be delays.
Where the Fund invests	Australia, although companies the Fund invests in have international exposure	Minimum withdrawal	\$1,000 although there can be delays
Sector focus	Sector agnostic, but seeks diversification	Minimum account balance	\$10,000
Number of stocks	20 to 40 stocks or more when the portfolio is mature, with no one stock usually representing more than 10% of the portfolio	Income/distributions	Quarterly, reinvested
		Changing your mind?	Yes, 14 days
		Available through Administration Platforms?	Check with your professional adviser or your Administration Platform

4. Risks*

You should read the important information in the Information Booklet about 'Risks' before making a decision. The material relating to risks may change between the time when you read this PDS and the day that you acquire the product.

Risk is a part of investing

All investments are subject to varying risks, and the value of your investment will vary - rise and fall - over time. As a general rule, the higher the potential returns, the higher the level of risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. As a stand-alone investment, the Portfolio Manager considers this a medium to higher risk investment, but one which potentially reduces overall portfolio risk and smooths investment returns when included appropriately in an investor's investment portfolio. It is unlikely however that the Fund would sensibly make up the whole or majority of an investor's investment portfolio.

Changes in value can be significant and can happen quickly. Different types of investments have different risk characteristics which will affect their value. When risk materialises, gains can be lower than targeted, and capital invested may fall significantly in value. As risk cannot be entirely avoided when investing, the philosophy employed by the Portfolio Manager is to identify and manage risk as far as is practicable. None of the Responsible Entity, the Fund Manager or the Portfolio Manager make any promise that the ways in which risks are aimed to be managed will be successful. You can lose as well as make money. Neither the capital you invest, nor any return is guaranteed.

The level of risk for you particularly will vary depending on a range of other factors, including age, investment time frame, how other parts of your wealth are invested, and your risk tolerance. If you are unsure whether this investment is suitable for you, it is recommended that you consult your professional adviser. The Portfolio Manager expects unit prices in this Fund to be of moderate to higher volatility over the suggested investment term.

Further information about the risks of investing in managed investment schemes can be found on ASIC's MoneySmart website at www.moneysmart.gov.au

The significant risks of the Fund are set out in the next column...

Investment risk

This is the risk that the value of an individual investment in the Fund may change in value or become more volatile. Investment values can change quickly. Reasons include changes in an investment's operations, changes in the environment, and changes in what people think of the investment.

Market risk

Economic, environmental, peace and war, technological, public health, political matters, legal and sanction requirements, and market sentiment can impact on Fund value. Careful top down and bottom-up research assists managing this risk.

Concentration risk

This is a new fund and will be more concentrated, and so more influenced by movements in individual stocks, as it builds funds under management.

The goal is that when the portfolio is mature - in the order of \$50m or more - it holds directly or indirectly 20 to 40 stocks or more, and no investment which the Fund holds or is exposed represents more than 10% of the portfolio unless the Portfolio Manager considers this position compelling or arises from changes in value.

Indirect investment, for example into LICs and ETFs, is not expected to dominate the portfolio when mature, but prior to this, such exposure is more likely and can assist to manage this risk.

International risk

Investors will have indirect exposure to markets outside Australia because many companies the Fund invests in deal with overseas markets. International investment may be more affected by political and economic uncertainties, lower regulatory supervision, movements in currency and interest rates and possibly more volatile, less liquid markets.

To the extent that the Fund is exposed indirectly to emerging and developing economies, be aware that markets there are generally less sophisticated with poorer reporting, governance and regulatory frameworks, and greater political, legal and other risks.

5. How we invest your money

Warning: you should consider the likely investment return, risk and your investment timeframe when choosing to invest in the Fund. Switching between investment options is not possible.

Introduction

This fund only offers one investment option: it is an Australian listed equities fund with a focus on producing strong, risk adjusted total returns – capital growth and income.

The Fund is designed for investors seeking core listed Australian equities exposure in their portfolios. This is a medium to higher risk investment, best used as part of an overall investment strategy. You should have a longer term investment horizon and a tolerance for medium to higher risk.

Investment objective

The Fund seeks strong capital gains over the suggested investment time frame – 3 years or more – but also seeks to generate and pay income quarterly with distributions usually being reinvested.

The goal is to outperform the S&P/ASX 200 after Management Fees and Usual Expenses.

What the Fund invests in

The Fund is designed to give investors core listed Australian equities exposure in their portfolios. It follows that the Fund's investment strategy focuses on companies within the ASX 300.

The Portfolio Manager has the flexibility however to invest in selected small cap stocks – those outside the ASX 300 – where the investment case is considered compelling.

The Fund focusses on direct investment exposure – investing directly in companies – but may use:

- ASX listed investment companies (LICs), and
- ASX exchange traded funds (ETFs).

To gain indirect exposure to a broader investment palette. Such tools can bring greater diversification and assist in both managing risk and generating returns. The focus is on listed stocks, but stocks anticipated to be listed within the following 12 months or so may also be acquired.

The goal is to hold or be exposed to 20 to 40 stocks or more when the portfolio is mature (say \$50m or more), with no one stock or exposure usually representing more than 10% of the portfolio, unless the Portfolio Manager considers this position compelling or arises from changes in value.

In the earlier stages of the portfolio, when the size of the Fund is smaller, the spread of stocks, and the exposure limits to one stock, will be broad goals and may not meet these criteria. The more concentrated the Portfolio, the more likely that one stock influences overall Fund value. There are no target ranges for geographical exposure. Investors have indirect exposure to global markets. There are no specific allocation limits to asset classes or location: the Fund is sector agnostic.

But it seeks diversification, and sector exposure could include:

- Mining, commodities and materials,
- Financial, consumer discretionary and consumer staples,
- Utilities, energy, and health care,
- Information technology and telecommunications, and
- Real estate

The intention is that cash is fully invested as far as is practicable, however from time-to-time substantial proportion of the Fund may be held in cash or cash equivalents, to assist with defensive positioning (for example in times of greater market uncertainty or volatility).

The Fund does not use derivatives or other financial instruments and does not seek direct exposure to fixed interest. No labour standards or environmental, social or ethical considerations are taken into account in selection, retention or realisation of any investment.

The way the Fund is managed

The Fund has a carefully constructed and actively traded portfolio. Medallion looks to identify economic themes and fundamental changes in the business landscape and focus the Fund's attention towards the market sectors that offer the brightest outlook. It is Medallion's belief that quality businesses in growing sectors have a better probability of delivering reliable revenue, earnings and dividend income growth.

Medallion is of the belief that it is imperative to employ a strategy that has the potential to improve the chances of the Fund achieving its goals. By implementing and constantly adhering to a certain 'screening' process Medallion seeks to narrow its focus towards opportunities that meet certain criteria.

Medallion aims to be patient and vigilant. Share prices fluctuate for all kinds of reasons but Medallion considers that while 'real' company values don't necessarily change materially in value over short periods of time, sentiment and share prices often do.

Medallion considers that utilising such a strategy for investing in equity exposure can offer improved risk-adjusted returns. Whilst allowing for participation in upward markets, balance sheet momentum strategies can provide protection in more severe downward markets. The outlook remains highly uncertain and possessing the ability to defend against tail-risk is a highly desirable quality. In finance, momentum is the term used to describe the phenomenon of trends in asset prices and markets but also balance sheets.

Top-Down investment approach

Medallion has access to a range of research material helping its investment committee to collate ideas and form robust investment thesis. Medallion looks to employ a 'top-down and bottom-up' investment approach which considers the larger economic theme at the top before delving into the fundamentals of specific investments and constructing a portfolio.



Analyse Global Macroeconomic Trends

Medallion has access to a range of research material helping its investment committee to collate ideas and form robust investment thesis.

Medallion looks to employ a 'top-down and bottom-up' investment approach which considers the larger economic theme at the top before delving into the fundamentals of specific investments and constructing a portfolio.



Identify the Target Sectors

By identifying economic themes and fundamental changes in the business landscape the Portfolio Manager is able to focus its attention towards the market sectors that offer the brightest outlook.



Monitor Key Financial Metrics

The aim is to identify businesses with sound and consistent financial metrics that highlight a business's profitability, operating efficiency, and liquidity over a meaningful period of time.

Medallion monitors the Fund's investments and when there is material deterioration in financial position, an assessment is made as to whether the impact is transitory or something more structural. If the deterioration is considered to be more structural in nature, the risk and management committees assess whether to exit the position.

Changes

At least 4 weeks' notice of any material change in investment strategy would be given to investors.

6. Fees and costs*

You should read the important information about 'Fees and costs' before making a decision. The material relating to fees and costs may change between the time when you read this PDS and the day that you acquire the product.

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) 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 Fund 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.

All fees are expressed as a percentage of net asset value of the Fund and are inclusive of net GST. This summary can be used to compare costs between different managed investment schemes.

Fees and costs summary

Medallion Australian Equities Growth Fund		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
Management fees and costs the fees and costs for managing your investment	1.50% p.a.	Calculated and accrued daily, and payable monthly in arrears, and the investment management fees part of these are negotiable for certain investors – contact the Fund Manager
Performance Fee amounts deducted from your investment in relation to the performance of the Fund	20% of any Fund performance above the S&P/ASX 200 after Management Fees and Usual Expenses	Entitlement is calculated at the end of each financial year but an allowance accrues in the unit price.
Transaction costs the costs incurred by the Fund when buying or selling assets	nil estimate	These costs are expressed net of the buy-sell spread, and are generally paid as incurred.
Member activity related fees and costs Fees for services or when your money moves in or out of the Fund		
Establishment fee the fee to open your investment	nil	Not applicable
Contribution fee the fee on each amount contributed to your investment	nil	Not applicable

Medallion Australian Equities Growth Fund		
Type of fee or cost	Amount	How and when paid
Member activity related fees and costs Fees for services or when your money moves in or out of the Fund		
Buy-sell spread an amount deducted from your investment representing costs incurred in transactions by the Fund	+0.25% -0.25%	Calculated as a percentage of the unit price and paid from investors' money when you purchase or redeem units. Spreads are retained by the Fund.
Withdrawal fee the fee on each amount you take out of your investment	nil	Not applicable
Exit fee the fee to close your investment	nil	Not applicable
Switching fee the fee for changing investment options	nil	Not applicable

Example of annual fees and costs

This table gives an example of how the fees and costs for the Fund can affect your investment over a one-year period. You should use this table to compare the Fund with other managed investment products. It is important to read the assumptions and notes below in the table.

EXAMPLE: Medallion Australian Equities Growth Fund		
Type of fee or cost	Amount	How and when paid
Member activity related fees and costs Fees for services or when your money moves in or out of the Fund		
Contribution fees	nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management fees and costs	1.50% p.a. estimate	And you will be charged or have deducted from your investment, \$750 management fees and costs each year.
PLUS Performance Fee	nil estimate	And you will be charged or have deducted from your investment nil in performance fees
PLUS Transactions costs	nil estimate	And , you will be charged or have deducted from your investment \$nil in net transaction costs.
EQUALS Cost of the Fund		If you put in \$50,000 at the beginning of the year and your balance was \$50,000, then you would be charged fees of up to \$750 each year. What it costs you will depend on the fees you negotiate.

Remember, estimates may prove to be incorrect. Actual fees and costs could be lower or higher than any estimate. Please refer to the Fund Manager's and/or the Portfolio Manager's website for any updates law requires.

This example uses assumptions: it assumes the \$5,000 contribution was made at the beginning of the year, as part of the \$50,000 investment, no other investments or any withdrawals or distributions were made through the year and the investment value remained unchanged.

If you would like to calculate the effect of fees and costs on your investment you can visit the ASIC Moneysmart website (www.moneysmart.gov.au) and use their managed investment fee calculator.

Additional explanation of fees and costs

Management Fees and Costs*

Generally

Management fees and costs are the fees and costs for managing your investment and include all direct and indirect costs for managing the Fund. This figure is an estimate.

It includes:

- the Fund Management Fee, being 1.50% p.a. and from which all Usual Expenses - being Fund associated costs which are considered in the ordinary course of fund operations - are paid,
- an unusual expenses estimate, being nil because these are not able to be estimated in advance, and
- an indirect costs estimate, being nil because no indirect costs are anticipated.

Performance Fee

A Performance Fee may be payable to the Fund Manager for successfully managing the Fund, and if earned the Fund Manager passes this on to the Portfolio Manager.

The Performance Fee estimate is currently nil. This is because this is a new Fund and the Portfolio Manager considers that at this time there is no reasonable basis for these to be estimated. If earned, then Management fees and costs could be higher than the estimate.

The fee itself is calculated as 20% of any Fund performance above the S&P/ASX 200 (the Benchmark) after Management Fees and Usual Expenses. This is not negotiable.

The Benchmark is not intended to be a forecast. It is only an indication of the minimum return the Portfolio Manager aims to achieve to earn a Performance Fee. The Fund may not perform as intended. Returns are not guaranteed.

Investors have the protection of a rolling 'High-Water Mark'. For a performance fee to be paid, the value of the Fund at the end of the financial year must also be higher than the value at the end of the prior financial year.

If payable, the Performance Fee is paid shortly after the end of each financial year (June) in arrears out of the Fund. The fee accrues in the unit price through the relevant period. When calculating any entitlement, adjustments are made for applications and redemptions and valuations are before any distributions for the period.

Note that performance may exceed the Benchmark (and so a Performance Fee is payable) even when some of the objectives for the Fund are not met.

7. Tax*

You should read the important information in the Information Booklet about 'Tax' before making a decision. The material relating to this may change between the time when you read this PDS and the day that you acquire the product.

You will probably need to pay tax in relation to your investment in the Fund, both on distributions and withdrawals. The amount and type of tax you will need to pay, and when, depends on the tax character of any amounts paid to you, their timing and on your personal financial circumstances.

8. How to apply*

You should read the important information in the Information Booklet about 'How to apply' before making a decision. The material relating to how to apply may change between the time when you read this PDS and the day that you acquire the product.

Investing for the first time

The minimum initial direct investment amount for the Fund is \$25,000. If you are using your platform, it may be less - check with your professional adviser or your Administration Platform. Investors can be any type: individuals, family trusts, companies or super funds for example.

To make an initial investment directly, go to:

<https://medallionfund.apexgroupportal.com/apply>

If you are asked to send hard copies of documents, post them to the Administrator:

Apex Fund Services
Client Services Registry Team
GPO Box 4968
Sydney NSW 2001 Australia

or complete our paper Application Form attached to this PDS and post that, together with any required hard copy documents, to the Administrator. If you are investing through an Administration Platform, then check with your professional adviser or your Administration Platform on what to do.

Investing more

The minimum additional investment amount for the Fund is \$10,000. To make an additional direct investment, simply complete the **Additional Investment Form** available from your professional adviser or the Administrator. Post, fax or email your form to the Administrator. If you are investing through an Administration Platform, then check with your professional adviser or your Administration Platform on what to do.

How you pay

You can pay using electronic funds transfer (EFT) or Australian cheque. Instructions are included in our forms. BPay, cash, or digital payments are not accepted. Please use your investor name or number as the reference when using EFT.

If you are investing through an Administration Platform, then check with your professional adviser or your Administration Platform on what to do.

Cooling off

Law provides that once units are issued, retail clients can change their mind. They have 14 days to do so, starting on the earlier of when you are sent confirmation that you are invested or the end of the 5th day after the day on which units are issued to you. If this applies to you, your money will be repaid to you, although adjustments are made for market movements up or down, as well as any tax and reasonable transaction costs.

For example, if you invest \$25,000 and the value of the units falls by 1% between the time you invest and the time MSC Trustees acts on your request that you wish to withdraw your investment, MSC Trustees may reduce the refund by \$250 on account of the reduced unit value.

This right to cool off is not available if you are an indirect investor, even if you are a retail client.

Distributions

The Fund aims to make distributions each quarter, which will be reinvested unless you instruct the Administrator otherwise. But as mentioned, neither the capital you invest nor any return is guaranteed. Any distributions not reinvested are paid to your nominated account.

Withdrawal

At any time you can request to withdraw your money from the Fund. You generally have access to your investment each Sydney business day, but in unusual circumstances (and even after your request is processed) there can be delays in payment - see below.

The minimum withdrawal is \$1,000, or any lesser remaining balance you might have. You generally need to keep a minimum of \$10,000 invested and if your account falls below this your account may be closed.

To request a withdrawal, complete our Redemption Form, available on request. Post, fax or email your form to the Administrator. There can be delays if your Redemption Form is incomplete. You may also be contacted to check your details before your withdrawal request is processed. No interest is payable if there is any delay.

Once lodged, withdrawal requests cannot generally be withdrawn.

Redemption Forms received by 2pm on a Sydney business day usually receive that day's price. If received after this, you will receive the price next calculated, usually the next Sydney business day.

Unit prices are based on the net asset value of the Fund and will vary as the market value of the assets of the Fund fluctuates.

Deductions are made for any money you owe relating to your investment.

You will receive confirmation when your withdrawal is processed. Your withdrawal will be paid by transfer to your nominated account, normally within 3 Sydney business days of the request being processed, and should reach your nominated account soon after this. Payments are not made by cheque or cash.

9. Additional Information*

You should read the important information in the Information Booklet about 'Additional Information' before making a decision. The material relating to additional information may change between the time when you read this PDS and the day that you acquire the product.

Complaints

If you are dissatisfied or have a complaint about your investment, please contact the Fund Manager:

Online: www.sanlamprivatewealth.com.au

Phone: +612 8245 0501

Email: sydney@sanlam.privatewealth.com.au

Post: Level 2, 33 York Street, Sydney NSW 2000

The Fund Manager will acknowledge receipt of the complaint as soon as possible and in any case within 24 hours (or one business day) of receiving the complaint. They will seek to resolve your complaint as soon as practicable but not more than 30 days after receiving the complaint.

If an issue has not been resolved to your satisfaction, you can request that the complaint be escalated to MSC Trustees for review. You can also lodge a complaint with the Australian Financial Complaints Authority (AFCA). Contact details are:

Online: www.afca.org.au

Phone: 1800 931 678

Email: info@afca.org.au

Post: GPO Box 3, Melbourne VIC 3001

Keeping you informed

Communication with investors is by email.

Investors will receive:

- confirmation of their investment,
- a portfolio update at least semi-annually,
- distribution income statements, and
- tax return information, as soon as practicable after the end of the financial year.

To help keep you informed of your investment, the following information will be provided:

- every transaction you make is confirmed, and
- you are sent a tax report as soon as possible after the end of each financial year.

Information required to disclose to satisfy any continuous disclosure obligations will be available on the Fund Manager's and/or the Portfolio Manager's website and you can request a paper copy free from them or your professional adviser. Each September, the Fund's audited accounts will also be available there (these can be emailed or mailed to you if you wish). Remember, however, that if you are an indirect investor then reporting will come from the operator of that Administration Platform.

None of the Responsible Entity, the Fund Manager or the Portfolio Manager, and none of their employees, officers, agents, contractors or associates, is responsible for any mis-delivery or non-receipt of any facsimile or email from or on behalf of any investor. Facsimiles or emails sent by or for investors are only effective when actually received.

If you received this PDS electronically, a paper copy will be provided free during the life of this PDS.

Contact

Portfolio Manager

Medallion Funds Management Pty Ltd

ABN 62 654 522 175

a corporate authorised representative of
Sanlam Private Wealth Pty Ltd

ABN 18 136 960 775 | AFSL 337 927

Level 1, 16 O'Connell St, Sydney NSW 2000

Ph: +61 2 9096 2604

E: info@medallionfinancial.com.au

W: www.medallionfinancial.com.au

Fund Manager

Sanlam Investments (Australia) Pty Ltd

ABN 72 160 042 222

a corporate authorised representative of
Sanlam Private Wealth Pty Ltd

ABN 18 136 960 775 | AFSL 337 927

Level 2, 33 York Street, Sydney NSW 2000

Ph: +612 8245 0501

E: sydney@sanlam.privatewealth.com.au

W: www.sanlamprivatewealth.com.au

Custodian & Administrator

Apex Fund Services Pty Ltd

ACN 118 902 891

GPO Box 4968 Sydney, NSW, 2001

E: registry@apexgroup.com

Ph: 1300 133 451

Web: www.apexgroup.com

Responsible Entity

Melbourne Securities Corporation Limited

ACN 160 326 545 | AFSL 428 289

Level 2, 395 Collins Street, Melbourne Victoria 3000

E: trustee@msc.group

Int: +61 3 9050 2000

T: 1300 798 790

W: www.msc.group

Medallion Australian Equities Growth Fund

ARSN: 661 996 112 | APIR CODE: MSC2414AU | ISIN: AU60MSC24141

Snapshot

The Medallion Australian Equities Growth Fund (the Fund) is an Australian listed equities fund managed by Medallion Funds Management Pty Ltd ABN 62 654 522 175 (Medallion, the Portfolio Manager). Medallion has been appointed by Sanlam Investments (Australia) Pty Ltd ABN 72 160 042 222 (Sanlam, the Fund Manager).

Designed for clients investing through platforms and directly, both advised and non advised, the Fund invests in a carefully constructed and actively traded portfolio of primarily ASX 300 listed stocks.

The Fund is designed to give investors who have a longer term investment horizon – 3 years or longer, and a tolerance for medium to higher risk, core Australian listed equities exposure in their portfolios.

Speak to your professional adviser.

What to read

This Target Market Determination (TMD) is required under section 994B of the Corporations Act 2001 (Cth) (the Act). It sets out the class of consumers for whom the product (and the particular investment options available under the product), including the key attributes of the product would likely be consistent with their likely objectives, financial situation and needs. Any reference to product in this TMD includes a reference to the particular investment options or choices offered under it and the TMD has been prepared on that basis. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Melbourne Securities Corporation Limited (ACN 160 326 545, AFSL 428289) (Responsible Entity, MSC Trustees) and Sanlam's design and distribution arrangements for the product.

It is recommended that you read this and consider, with professional advice as needed, whether the Fund is the type of fund that may suit you. This document is not a product disclosure statement and is not a summary of the product features or terms of the product and the particular investment options offered under it. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the Product Disclosure Statement and Information Booklet (collectively, PDS) for the Medallion Australian Equities Growth Fund before making a decision whether to purchase this product.

The PDS can be obtained by visiting the Sanlam website at <https://sanlamprivatewealth.com.au/>

Each of the documents mentioned above is important. You must certainly read the PDS carefully. You are encouraged to read this TMD.

Know who is who

This document has been prepared by Medallion and Sanlam and issued by Melbourne Securities Corporation Limited ACN 160 326 545 | AFSL 428 289, the 'responsible entity', or trustee, of the Fund.

Generally

This TMD is for general information only. It does not take into account your particular objectives, financial situation or needs, and is not a recommendation to invest. It is not a product disclosure statement and is not a summary of the product features or terms of the product.

If you are unsure about what to do, then speak to your professional adviser before making any investment decision. They will look at your particular objectives, financial situation and needs, and can help you make sure this investment is the right one for you.

What else?

Some terms are defined in the Definitions section. Otherwise, terms have the meaning given in the PDS unless otherwise defined.

Summary

This product is likely to be appropriate for a consumer seeking capital growth and income distributions to be used as a core component of their portfolio where the consumer has a medium investment timeframe and medium to higher risk/return profile. This product is unlikely to be appropriate for a consumer seeking capital growth and regular income.

Who's involved?

EXAMPLE: Medallion Australian Equities Growth Fund

Issuer	Melbourne Securities Corporation Limited
Issuer ACN	160 326 545
Issuer AFSL	428 289
Fund	Medallion Australian Equities Growth Fund
ARSN	661 996 112
Fund Manager	Sanlam Investments (Australia) Pty Ltd
Fund Manager ACN	160 042 222
APIR Code	MSC2414AU
ISIN Code	AU60MSC24141
Date TMD approved	22 December 2022
TMD Version	1
TMD Status	Current

Distributors must report to MSC Trustees using the quarterly compliance report or other method specified by Issuer or by email to trustee@msc.group using the subject line 'DDO Reporting – Medallion Australian Equities Growth Fund'. MSC Trustees can also be contacted in relation to this TMD on 1300 798 790.

This TMD is issued by Melbourne Securities Corporation Limited ACN 160 326 545, AFSL No. 428289 (Issuer). The Issuer is the responsible entity and issuer of the interests in the managed investment scheme referred to in this TMD. This TMD includes general information only and does not take into account your individual objectives, financial situation, needs or circumstances. Before making any investment decision, you should assess whether the material is appropriate for you and read the product disclosure statement for the product. The PDS can be obtained by visiting the Sanlam website at Sanlam Private Wealth. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

This TMD does not constitute a financial product recommendation or an offer or solicitation with respect to the purchase or sale of the product in any jurisdiction. This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

Description of Target Market

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding:

In Target Market

Potentially in Target Market

Not considered in Target Market

Conclusions		
Consumer Attributes	TMD Indicator	Product description including key attributes
Consumer's investment objective		
Capital Growth	In Target Market	The Fund is designed to give investors core listed Australian equities exposure in their portfolios. The Fund seeks strong capital gains over the suggested investment time frame - 3 years or more - but also seeks to generate income quarterly with distributions usually being reinvested.
Capital Preservation	Not considered in Target Market	The goal is to outperform the S&P/ASX 200 after Management Fees and Usual Expenses.
Capital Guaranteed	Not considered in Target Market	Target market investors are likely to have a minimum investment timeframe of 3 years or more, a medium to higher risk tolerance and (noting the Fund targets paying distributions quarterly (after the end of June, September, December and March) (reinvested as a default) target market investors are also likely to have some need for more regular income.
Income Distribution	In Target Market	<p>The Portfolio Manager has the flexibility to invest in selected small cap stocks - those outside the ASX300 - where the investment case is considered compelling.</p> <p>The focus is on listed stocks, but stocks anticipated to be listed within the following 12 months or so may also be acquired.</p> <p>The Fund focusses on direct investment exposure - investing directly in companies - but may use:</p> <ul style="list-style-type: none"> ASX listed investment companies (LICs), and ASX exchange traded funds (ETFs) <p>to gain indirect exposure to a broader investment palette. Such tools can bring greater diversification, and assist in both managing risk and generating returns.</p> <p>The goal is to hold or be exposed to 20 to 40 stocks or more when the portfolio is mature (say \$50m or more), with no one stock or exposure usually representing more than 10% of the portfolio, unless the Portfolio Manager considers this position compelling or arises from changes in value.</p> <p>In the earlier stages of the portfolio, when the size of the Fund is smaller, the spread of stocks, and the exposure limits to one stock, will be broad goals and may not meet these criteria.</p> <p>The more concentrated the Portfolio, the more likely that one stock influences overall Fund value.</p> <p>There are no target ranges for geographical exposure. Investors have indirect exposure to global markets. There are no specific allocation limits to asset classes or location: the Fund is sector agnostic.</p> <p>The Fund has a carefully constructed and actively traded portfolio. Medallion looks to identify economic themes and fundamental changes in the business landscape and focus the Fund's attention towards the market sectors that offer the brightest outlook. It is Medallion's belief that quality businesses in growing sectors have a better probability of delivering reliable revenue, earnings and dividend income growth.</p>
Consumer's intended product use: % of Investable Assets		
Solution/Standalone 75-100%	Not considered in Target Market	This is an Australian listed equities fund with a focus on producing strong, risk adjusted total returns - capital growth and income. This is a medium to higher risk investment, best used as part of an overall investment strategy. You should have a longer term investment horizon and a tolerance for medium to higher risk.
Core Component 25-75%	In Target Market	As a stand-alone investment, Investors should consider the Fund as a medium to higher risk investment. This Fund may be suitable for investors who have a long-term view and a medium to higher risk tolerance. The Fund could be used to smooth an investor's overall portfolio returns, and be used to balance risk, return and volatility over time.
Satellite/small allocation <25%	In Target Market	<p>The Fund is designed to give investors core listed Australian equities exposure in their portfolios. It is unlikely however that the Fund would sensibly make up the whole or majority of an investor's investment portfolio.</p> <p>An investment in the Fund should be regarded as a longer term proposition, and investors should look to invest for 3 years or longer. The value of the Fund can move quickly and substantially. It should be considered as a medium to higher volatility fund.</p>
Consumer's investment timeframe		
Short ≤ 2 years	Not considered in Target Market	The minimum suggested timeframe for holding investments in the Fund is 3 years or more.
Medium > 2 years	In Target Market	
Long > 8 years	Not considered in Target Market	
Consumer's investment timeframe		
Low	In Target Market	<p>The Portfolio Manager considers that the "standard risk measure" for this Fund is a medium to high risk rating, which means that the estimated number of negative annual returns over any 20 year period is 3 to less than 4.</p> <p>On a scale of 1 to 7 where 7 is riskiest in this respect, the Fund is in category 5.</p> <p>The goal is to outperform the S&P/ASX 200 after Management Fees and Usual Expenses.</p>
Medium	Not considered in Target Market	
High	In Target Market	
Very High	In Target Market	
Consumer's investment timeframe		
Daily	In Target Market	Daily processing
Weekly	In Target Market	
Monthly	In Target Market	
Quarterly	In Target Market	
Annually or longer	In Target Market	

Appropriateness

MSC Trustees has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the features of this product in the table above are likely to be suitable for consumers with the attributes identified with a green TMD Indicator.

Distribution conditions

This fund has a relatively broad target market, being designed for clients investing through platforms and directly, both advised and non advised. The Fund invests in a carefully constructed and actively traded portfolio of primarily ASX 300 listed stocks. The Fund is designed to give investors who have a longer term investment horizon – 3 years or longer, and a tolerance for medium to higher risk, core Australian listed equities exposure in their portfolios.

Target market investors are likely to have a minimum investment timeframe of 3 years or more, at least a medium to higher risk tolerance and (noting the Fund targets paying distributions quarterly (after the end of June, September, December and March) (reinvested as a default)) target market investors are also likely to have some need for more regular income.

It is considered most likely to be 'core' or a 'satellite' fund in a target investor's portfolio, holding potentially a significant allocation, for example 25-75% by value. Still, it is unlikely however that the Fund would sensibly make up the majority of an investor's investment portfolio.

In considering sources of invested moneys, and these and other Fund design features, it is considered that investors are generally more likely to be part of the target market if they are known to be:

- wholesale,
- professionally advised,
- a platform, or
- an existing investor with Sanlam products.

Given however these and other Fund design features, that an investor does not satisfy any of these does not mean they are outside the target market.

Other distribution conditions include:

- **the Investor:**
 - being a retail investor, being recommended the product under personal financial product advice by an authorised financial adviser, or
 - applies for the product through distribution/referral channels of a type approved by the issuer, which includes the investment manager and/or portfolio manager websites, and platforms on which the Fund is listed (eg IDPS, MDA) and has confirmed that they consider themselves within the target market,
- where the issuer, the fund manager of the portfolio manager are aware there is a reasonable risk that an applicant does not meet target market requirements, appropriate enquiries are made, noting applications can be refused at the issuer's discretion, or
- where distribution agreements are in place, the restrictions imposed by, and level of supervision required under, the terms of the distribution agreements are monitored and enforced.

Review

Triggers

This TMD will be reviewed where there is:

- material change to key attributes, fund investment objective and/or fees,
- material deviation from benchmark / objective over sustained period,
- key attributes have not performed as disclosed by a material degree and for a material period,
- determination by the issuer of an ASIC reportable significant dealing,
- material or unexpectedly high number of complaints (as defined in section 994a(1) of the act) about the product or distribution of the product, or
- the use of product intervention powers, regulator orders or directions that affects the product.

Frequency

Review period	Maximum period for review
Initial review	1 year and 3 months
Subsequent review	3 years and 3 months

Reporting

Reporting requirement	Reporting period
Complaints	Within 10 business days following end of calendar quarter
Significant dealing outside of target market	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing.
To the extent a distributor is aware, dealings outside the target market	Within 10 business days following the end of the calendar quarter.

Definitions

Consumer's investment objective	
Capital Growth	The consumer seeks to invest in a product designed to generate capital return. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The consumer seeks to invest in a product to reduce volatility and minimise loss in a market down-turn. The consumer prefers exposure to defensive assets (such as cash or fixed income securities) that are generally lower in risk and less volatile than growth investments.
Capital Guaranteed	The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth (typically gained through a derivative arrangement). The consumer would likely understand the complexities, conditions and risks that are associated with such products.
Income Distribution	The consumer seeks to invest in a product designed to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (typically, high dividend-yielding equities, fixed income securities and money market instruments).
Consumer's intended product use (% of Investable Assets)	
Solution/ Standalone 75-100%	The consumer intends to hold the investment as either a part or the majority (up to 100%) of their total investable assets (see definition below). The consumer typically prefers exposure to a product with at least High portfolio diversification.
Core Component 25-75%	The consumer seeks to invest in a product to reduce volatility and minimise loss in a market down-turn. The consumer prefers exposure to defensive assets (such as cash or fixed income securities) that are generally lower in risk and less volatile than growth investments.
Satellite/small allocation <25%	The consumer intends to hold the investment as a smaller part of their total portfolio, as an indication it would be suitable for up to 25% of the total investable assets (see definition below). The consumer is likely to be comfortable with exposure to a product with Low portfolio diversification.
Investable Assets	Those assets that the investor has available for investment, excluding the residential home.

Definitions

Portfolio diversification	
Low	Single asset class, single country, low or moderate holdings of securities - eg high conviction Aussie equities.
Medium	1-2 asset classes, single country, broad exposure within asset class, eg Aussie equities "All Ords".
High	Highly diversified across either asset classes, countries or investment managers, eg Australian multi-manager balanced fund or global multi-asset product (or global equities).
Consumer's intended investment timeframe	
Short ≤ 2 years	The consumer has a short investment timeframe and may wish to redeem within two years.
Medium > 2 years	The consumer has a medium investment timeframe and is unlikely to redeem within two years.
Long > 8 years	The consumer has a long investment timeframe and is unlikely to redeem within eight years.
Consumer's Risk (ability to bear loss) and Return profile	
Low	The consumer is conservative or low risk in nature, seeks to minimise potential losses (eg has the ability to bear up to 1 negative return over a 20 year period (SRM 1 to 2)) and is comfortable with a low target return profile. Consumer typically prefers defensive assets such as cash and fixed income.
Medium	The consumer is moderate or medium risk in nature, seeking to minimise potential losses (eg has the ability to bear up to 4 negative returns over a 20 year period (SRM 3 to 5)) and comfortable with a moderate target return profile. Consumer typically prefers a balance of growth assets such as shares, property and alternative assets and defensive assets such as cash and fixed income.
High	The consumer is higher risk in nature and can accept higher potential losses (eg has the ability to bear up to 6 negative returns over a 20 year period (SRM 6)) in order to target a higher target return profile. Consumer typically prefers predominantly growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income.
Very High	The consumer has a more aggressive or very high risk appetite, seeks to maximise returns and can accept higher potential losses (eg has the ability to bear 6 or more negative returns over a 20 year period (SRM 7) and possibly other risk factors, such as leverage). Consumer typically prefers growth assets such as shares, property and alternative assets.

Consumer's need to withdraw money

Issuers should consider in the first instance the redemption request frequency under ordinary circumstances. However, the redemption request frequency is not the only consideration when determining the ability to meet the investor's requirement to access capital.

To the extent that the liquidity of the underlying investments or possible liquidity constraints (eg ability to stagger or delay redemptions) could impact this, this is to be taken into consideration in completing this section.

Daily/Weekly/ Monthly/ Quarterly/ Annually or longer

The consumer seeks to invest in a product which permits redemption requests at this frequency under ordinary circumstances and the issuer is typically able to meet that request within a reasonable period.

Reporting

Significant dealings

Section 994F(6) of the Act requires distributors to notify the issuer if they become aware of a significant dealing in the product that is not consistent with the TMD.

Neither the Act nor ASIC defines when a dealing is 'significant'. We apply its ordinary meaning.