

# MULTIPLY DEVELOPMENT AND OPPORTUNITY FUND

Supplementary Product Disclosure Statement

**28JULY06**

**Important Information**

This Supplementary Product Disclosure Statement (SPDS) is dated 28 July 2006 and is issued by Multiplex Investments Limited (ACN 096 295 233, AFS License No. 241178) (Manager) as responsible entity for the Multiplex Development and Opportunity Fund (ARSN 100 563 488) (Fund). This SPDS should be read together with the Product Disclosure Statement dated 14 September 2005 (PDS). This SPDS is available electronically at [www.multiplexcapital.biz](http://www.multiplexcapital.biz).

**MULTIPLY**  
CAPITAL

# SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

Section 7 of the PDS (pages 33 to 37) is replaced by the following:

## CONSUMER ADVICE WARNING

Government regulations require the Manager to include the following standard consumer advisory warning. The information in the consumer advice warning is not specific to information on fees and costs in this Fund.

## 7.1 FEES AND OTHER COSTS

### Did you know?

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

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

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

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

### To find out more

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

This document 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 Fund assets as a whole.

Taxes are set out in another part of the PDS.

The Manager may accept lower fees than it is entitled to receive or may defer payment for any period. Where payment is deferred, the fees accrue daily until paid.

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

Type of Fee or Cost	Amount	How and When Paid
<b>Fees when a Unitholder's money moves in or out of the Fund</b>		
<b>Establishment Fee</b>		
The fee to open your investment.	Nil	Not Applicable
<b>Contribution Fees</b>		
The fee on each amount contributed to your investment – either by you or your employer.		
Each investment you make will be subject to only one of either the Application fee or the Purchase fee.		
<b>(a) Application fee<sup>1</sup></b>		
This is a fee for the initial and every subsequent issue of Units to a Unitholder. <sup>2</sup>	4.0% <sup>3</sup> of the application money or value of the property being transferred (e.g. \$2,000 per \$50,000 investment).	Payable to the Manager from the Fund. The amount will be deducted from the amount of a Unitholder's application monies when the Manager determines the number of Units to issue the Unitholder. In certain circumstances the application fee may be negotiable. <sup>4</sup>
<b>(b) Purchase fee<sup>5</sup></b>		
This is a fee the Manager charges a Unitholder every time the Unitholder purchases Units from the Manager. <sup>6</sup>	4.0% <sup>7</sup> of the value of the purchase price or the value of the property being transferred (e.g. \$2,000 per \$50,000 investment).	Payable to the Manager by the Unitholder. The fee will be deducted from the amount of a Unitholder's purchase monies when the Manager determines the number of Units to transfer to the Unitholder. In certain circumstances the purchase fee may be negotiable. <sup>4</sup>
<b>Withdrawal Fees</b>		
The fees on each amount you take out of your investment.		
<b>Transfer fee<sup>8</sup></b>		
This is a fee charged for transferring Units. It does not include a transfer of Units to or from the Manager in connection with the Liquidity Facility.	Fee of \$110 <sup>7</sup> per transfer.	Payable by the purchaser to the Manager directly. The Manager will not register a transfer of Units until the transfer fee is paid. In certain circumstances the transfer fee may be negotiable. <sup>4</sup>
<b>Redemption fee<sup>9</sup></b>		
This is a fee for each redemption of Units a Unitholder makes.	The greater of 1.0% <sup>7</sup> of the redemption proceeds or \$110 <sup>7</sup> . For example, if a Unitholder redeems \$1,000 of Units, the fee will be \$110. If a Unitholder redeems \$50,000 of Units, the fee will be \$500.	The Manager will deduct the redemption fee from the redemption proceeds. In certain circumstances the redemption fee may be negotiable. <sup>4</sup>
<b>Liquidity Facility administration fee<sup>10</sup></b>		
This is a fee for using the Liquidity Facility by selling Units to the Manager.	The fee is 4.0%, 2.0%, 1.0% or 0% <sup>7</sup> of the proceeds of selling the Units to the Manager. For example, if a Unitholder transfers 50,000 Units to the Manager (assuming a NAV per Unit of \$1.00) the Unitholder will be charged a fee of \$2,000, \$1,000, \$500 or \$0.	The Manager will deduct the Liquidity Facility administration fee from the sale proceeds. This fee may be negotiable. <sup>4</sup>

Type of Fee or Cost	Amount	How and When Paid
<b>Management costs</b>		
<b>Management fee<sup>11</sup></b> Fees and costs for managing your investment.	1.5% <sup>3</sup> per annum of the gross value of the assets of the Fund (e.g. \$750 per \$50,000 of Unit value per annum).	Payable monthly in arrears from the Fund and calculated on the gross value of the assets at the end of the calendar month. In certain circumstances the management fee may be negotiable. <sup>4</sup>
<b>Expenses<sup>12</sup></b> These are expenses incurred by the Manager in relation to the proper performance of its duties in respect of the Fund.	Up to 0.3% <sup>7</sup> per annum of the gross value of the assets of the Fund (e.g. \$150 per \$50,000 of Unit value).	Repayable to the Manager as they are incurred on an ongoing basis by the Fund. Expenses above 0.3% per annum will be borne by the Manager.
1 See Section 7.2. 2 See Section 7.5. 3 Including GST less any RITCs.	4 See Section 7.4. 5 See Section 7.3. 6 See Section 7.5.	7 Including GST. 8 See Section 7.6. 9 See Section 7.7. 10 See Section 7.8. 11 See Section 7.9. 12 See Section 7.10.

The table below gives an example of how the fees and costs for this product can affect your investment over a one year period. You should use this table to compare this product with other managed investment products. All amounts are GST inclusive net of any RITCs.

<b>EXAMPLE</b>	<b>Balance of \$50,000 with total contributions of \$5,000 during the year</b>	
<b>Application fee</b>	4.0% of the application money or value of the property being transferred.	For every \$5,000 you put in, you will be charged \$200.
<b>PLUS</b>		
<b>Management fee and expenses</b>	Calculated at 1.5% and 0.3% of the Gross Value of the Fund's assets respectively.	For every \$50,000 you have in the Fund you will be charged \$750 each year in management fees and \$150 in expenses each year.
<b>EQUALS</b>		
Cost of Fund.	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$1,100.	

If you redeem Units, you may also be charged a redemption fee of the greater of \$110 or 1.0% of the redemption proceeds and you may be charged a Liquidity Facility administration fee of between 0% and 4.0% of your redemption amount (between \$0 and \$2,000 for every \$50,000 you withdraw) if you use the Liquidity Facility provided by the Manager.

## 7.2 APPLICATION FEE

Unless otherwise negotiated between a Unitholder and the Manager (see “Fees that are negotiable” in Section 7.4), every investment in Units under this PDS will be subject to either an application fee or a purchase fee. The application fee only applies where new Units are issued to an investor. In these circumstances the purchase fee (discussed in Section 7.3) does not apply.

The Manager is entitled to be paid an application fee of 4.0% (including GST less any RITCs) of the application money in respect of each application to be issued Units that the Manager accepts. The fee is payable out of the Fund immediately after the Units are issued.

When the Manager calculates the number of Units to be issued pursuant to an application, the application fee is first deducted from the value of the application money.

## 7.3 PURCHASE FEE

Where the Manager holds Units that it acquired in connection with the Liquidity Facility, an applicant’s application for Units under this PDS will be treated as an offer to purchase Units from the Manager.

A Unitholder who purchases Units from the Manager (where the Manager acquired the Units in connection with the Liquidity Facility) will be charged a purchase fee of 4.0% (GST inclusive) of the purchase price for the Units. When the Manager calculates the number of Units to be transferred to a Unitholder pursuant to an application in these circumstances, the purchase fee is first deducted from the value of the application money.

Assuming equivalent investments (and ignoring any input tax credits that may be available – see Section 2.13), a Unitholder who bears an application fee (being a Unitholder who is issued new Units by the Manager), will be in the same position as a Unitholder who is charged a purchase fee (being a Unitholder who is transferred existing Units by the Manager which the Manager has acquired pursuant to the Liquidity Facility) – that is, whether a Unitholder is issued new Units or is transferred existing Units from the Manager will not impact on the Unitholder, other than as referred to in Section 7.15.

By completing and lodging an Application Form a Unitholder agrees that the Manager may charge the purchase fee in relation to the purchase of Units from the Manager.

The Manager may accept a lower fee or may defer payment for any period.

## 7.4 FEES THAT ARE NEGOTIABLE

The Manager may negotiate different fees or rebates of fees with any investor who is a “wholesale client” as that term is defined in section 761G of the Corporations Act. The Manager may, in respect of employees of the Manager or related bodies corporate of the Manager, rebate or waive application fees, purchase fees, redemption fees or transfer fees. However, the Manager may only do this if the number of votes that may be cast on a resolution of Unitholders by employee Unitholders and Unitholders that are related bodies corporate of the Manager, is no more than 5.0% of all votes of Unitholders.

Any rebates negotiated with wholesale clients, employees or related bodies corporate of the Manager are payable by the Manager from the Manager’s own funds.

## 7.5 ADVISER SERVICE FEE

The Manager may pay commissions to advisers whose clients invest in Units either where new Units have been issued or existing Units have been purchased from the Manager. Any such commissions will be paid by the Manager out of its own funds and will not represent an additional cost to the Fund or any Unitholder. These commissions do not include any other commissions or any fees and expenses that may be agreed between a Unitholder and their adviser. A Unitholder’s adviser should give the Unitholder details of their remuneration arrangements. The Manager may pay an adviser a commission, in relation to a client of the adviser who invests in Units, within the following ranges:

- 0–4.0% of the client’s application monies as an upfront payment;
- or
- 0–0.65% per annum of the value of the client’s investment as a trail commission.

Alternatively, the Manager may pay advisers both an upfront commission and a trail (in each case, the amount of the commission will be lower than the maximum commissions listed above).

In some circumstances, the Manager may negotiate with an adviser to pay the adviser a commission in excess of 4.0% of the client’s application money. In such circumstances, as with all commissions, the payment is borne out of the Manager’s own funds and does not represent a cost to the Fund or any Unitholder.

## 7.6 TRANSFER FEE

The Manager is entitled to charge a transfer fee of \$110 (GST inclusive) in respect of a transfer of Units. The transfer fee is payable by the purchaser.

The transfer fee does not apply in relation to transfers of Units:

- to the Manager in connection with the Liquidity Facility;
- from the Manager in respect of which a purchase fee is payable;
- or
- that either:
  - were issued before 1 November 2004 so long as they are held by the relevant Unitholder as at 1 November 2004; or
  - as at the date of the transfer, have been on issue for more than five years.

The Manager will not register a transfer until the transfer fee has been paid to the Manager.

By completing and lodging an Application Form a Unitholder agrees that the Manager may charge the transfer fee in relation to a transfer of Units and may charge an additional amount on account of GST in relation to the supply to which the fee relates. The Manager may accept a lower fee or may defer payment for any period.

## 7.7 REDEMPTION FEE

The Manager is entitled to charge a redemption fee of the greater of \$110 (GST inclusive) or 1.0% of the redemption proceeds in relation to a redemption of Units. The redemption fee is deducted from the redemption proceeds.

The redemption fee does not apply in relation to a redemption of:

- Units that were issued before 1 November 2004 so long as they are held by the relevant Unitholder as at 1 November 2004;
- Units that have, as at the date of the redemption, been on issue for more than five years; or
- Units that are transferred to the Manager pursuant to the Liquidity Facility.

Redemptions may only occur when the Fund is liquid.

By completing and lodging an Application Form a Unitholder agrees that the Manager may charge the redemption fee in relation to the redemption of Units in the circumstances described above and may charge an additional amount on account of GST in relation to the supply to which the fee relates.

The Manager may accept a lower fee or may defer payment for any period.

## 7.8 LIQUIDITY FACILITY ADMINISTRATION FEE

The Manager is entitled to charge a Liquidity Facility administration fee of a percentage of the sale proceeds in relation to a transfer of Units from a Unitholder to the Manager pursuant to the Liquidity Facility. The percentage (GST inclusive) that would be applied to determine the amount of the Liquidity Facility administration fee will be dependent on when the Units, the subject of the transfer, were issued (unless the Units are held through an IDPS or an IDPS-like scheme) – as follows:

- Units issued less than three years before the date of the transfer – 4.0%;
- Units issued between three years and five years before the date of the transfer – 2.0%;
- Units issued greater than five years before the date of the transfer – 0%; and
- Units held through an IDPS or an IDPS-like scheme – 1.0% (irrespective of when the Units, the subject of the transfer, were issued).

Units on issue as at 1 November 2004 will, so long as they are held by the relevant Unitholder as at 1 November 2004, be treated as having been on issue for greater than five years for the purposes of determining the Liquidity Facility administration fee (unless the Units are held through an IDPS or an IDPS-like scheme).

By completing and lodging an Application Form a Unitholder agrees that the Manager may charge the Liquidity Facility administration fee in relation to a transfer of Units to the Manager in the circumstances described above.

The Manager may accept a lower fee or may defer payment for any period.

## 7.9 MANAGEMENT FEE

The net effect on the Fund of the management fee is 1.5% (including GST less any RITCs) per annum of the gross value of the assets of the Fund. The fee is payable monthly in arrears and calculated on the gross value of the assets of the Fund as at the end of the calendar month.

## 7.10 EXPENSES

All expenses incurred by the Manager in relation to the proper performance of its duties under the Constitution may be reimbursed out of the assets of the Fund, subject to the Corporations Act. There is no maximum imposed by the Constitution on the amount of properly incurred fees that the Manager may recover from the Fund. The Manager undertakes that it will cap the expenses it will recover at 0.3% (GST inclusive) of the gross value of the assets of the Fund.

The expenses include the Custodian's fees.

## 7.11 FEE CHANGES AND FEE MAXIMA

The Manager may charge the Fund a management fee of 1.65% (inclusive of GST) per annum of the gross value of the assets of the Fund as permitted under the Constitution. However, as at the date of this PDS, the Manager has decided to charge 1.5% (including GST less any RITCs). The Manager may charge an application fee of up to 4.4% (inclusive of GST) under the Constitution. However, as at the date of this PDS, the Manager has decided to charge 4.0% (including GST less any RITCs). The Manager may only increase either the application fee above 4.4% (inclusive of GST) or the management fee above 1.65% (inclusive of GST) if the Constitution is amended to allow the Manager to charge a higher fee. This could only be done if a special resolution (which must be passed by 75% of votes cast by Unitholders entitled to vote on the resolution) of Unitholders is passed approving the amendment at a meeting of Unitholders.

The Manager could only charge a Unitholder a higher:

- transfer fee;
  - redemption fee; or
  - Liquidity Facility administration fee,
- if the Unitholder agrees to the higher fee.

The Manager could only charge a Unitholder a higher purchase fee if the Manager was charging a higher application fee.

There is no limit under the Constitution on the amount of properly incurred expenses that the Manager may recover from the Fund. However, the Manager has agreed to cap these expenses paid by the Fund at 0.3% (GST inclusive) per annum of the gross value of the Fund's assets.

## 7.12 BUY AND SELL SPREAD

No buy/sell spread will be applied on the issue or redemption of Units in the Fund.

### 7.13 UNDERSTANDING THE IMPACT OF FEES AND CHARGES OVER TIME

The Australian Securities and Investments Commission (ASIC) has on its website ([www.asic.gov.au](http://www.asic.gov.au)) a fee calculator which has been designed to help investors understand the impact of fees and charges over time.

### 7.14 DOLLAR EXAMPLES

The table below sets out dollar examples which are inclusive of GST in relation to the redemption fee, the transfer fee, the purchase fee and the Liquidity Facility administration fee, and inclusive of the impact of GST net of any RITCs on the Fund in relation to the application fee and the management fee.

	(\$)
<b>Application fee/purchase fee</b>	
Amount invested	50,000
Application fee amount 4.0% of application monies	2,000
Purchase fee amount 4.0% of application monies	2,000
<b>Redemption fee/Liquidity Facility administration fee</b>	
Amount withdrawn	50,000
Redemption fee amount (greater of 1.0% of redemption proceeds or \$110)	500
Liquidity Facility administration fee amount (percentage of sale proceeds)	
4.0%	2,000
2.0%	1,000
1.0%	500
0%	0
<b>Transfer fee</b>	
Amount transferred	50,000
Transfer fee amount	110
<b>Management fee and expenses</b>	
Value of investment	50,000
Management fee amount 1.5% of the gross value of the Fund's assets (per annum)	750
Expense recoveries 0.3% of the gross value of the Fund's assets (per annum)	150

### 7.15 GOODS AND SERVICES TAX (GST)

The Fund or a Unitholder may be required to pay GST on certain fees and expenses. However, where available, the Fund will claim RITCs for the GST incurred by the Fund.

Although the GST inclusive application fee is paid by the Fund to the Manager, it is effectively borne by the applicant (this is because the Manager, when it calculates the number of Units to be issued pursuant to the application, first deducts the application fee from the value of the application money). However, the Fund in determining the amount to be deducted from the application monies will take into account the benefit of any anticipated RITCs which may arise for the Fund in respect of the GST on the fee.

By contrast, an applicant who is transferred Units from the Manager pays to the Manager the purchase fee grossed up for GST. The applicant should seek professional tax advice as to whether or not it is eligible to receive RITCs in respect of the GST on the purchase fee.

