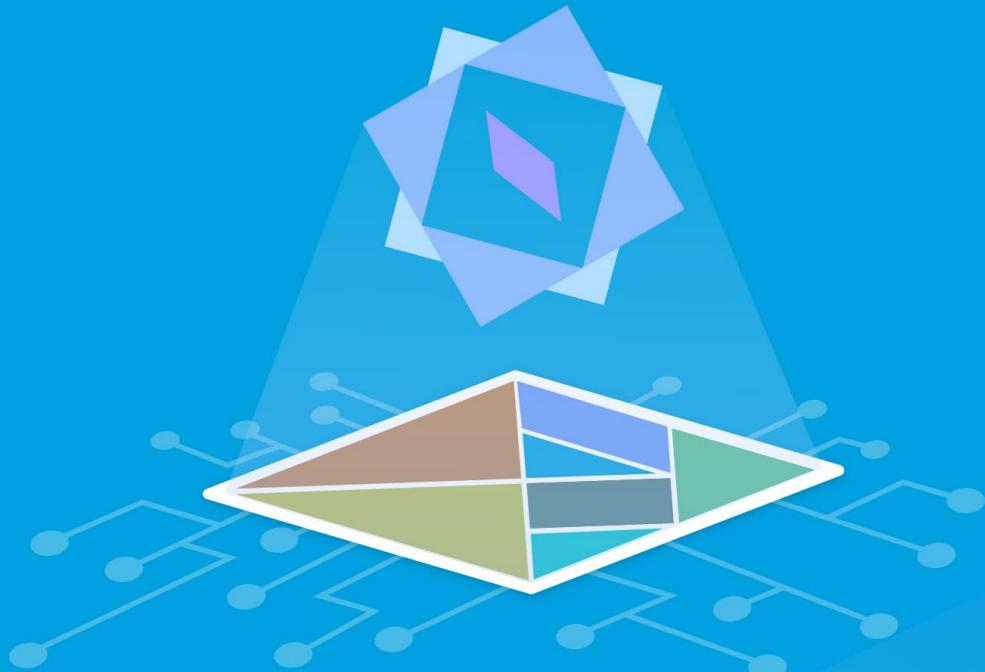


# Supplementary Product Disclosure Statement for Tanggram Tech Future

ARSN 623 672 336



## An Investment Option of the Tanggram Investment Fund

### **Responsible Entity and Issuer**

Vasco Trustees Limited (ACN 138 715 009, AFSL 344486)

### **Investment Manager**

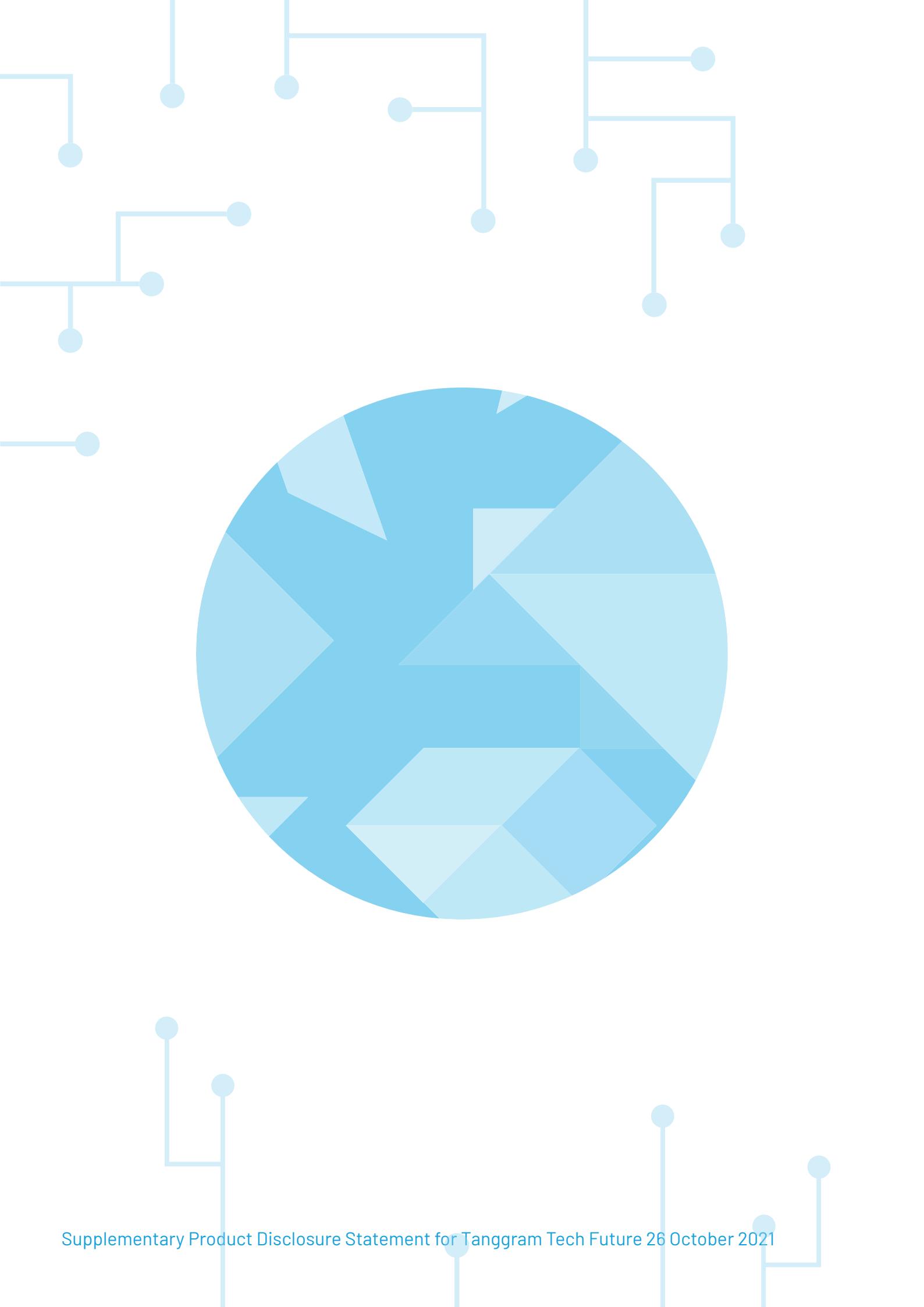
Tangram Capital Pty Ltd (ACN 630 041 020)

### **Fund Administrator**

Vasco Fund Services Pty Limited (ACN 610 512 331)

### **Date**

26 October 2021



Supplementary Product Disclosure Statement for Tangram Tech Future 26 October 2021

## Important Information

This Supplementary Product Disclosure Statement is dated 26 October 2021 (**SPDS**) and relates to the offer of units in Tanggram Tech Future, an Investment Option of the Tanggram Investment Fund ARSN 632 672 336 (Fund) and the terms on which that offer is made.

This SPDS is issued by Vasco Trustees Limited ACN 138 715 009 AFSL 344486 (**Vasco or Responsible Entity**), in its capacity as responsible entity of the Fund. In this document, the description 'we', 'us' or 'our' refers to Vasco Trustees Limited.

It is envisaged that Vasco Trustees Limited will retire as responsible entity during 2021 and that a related company, Vasco Responsible Entity Services Limited ACN 160 969 120 AFSL 434533, will be appointed responsible entity of the Fund.

This SPDS should be read in conjunction with the Product Disclosure Statement dated 26 October 2021 (**PDS**). The information in the PDS continues in full force and effect except to the extent that information is varied in relation to Tanggram Tech Future as described in this SPDS. Defined terms in the PDS have the same meaning in this SPDS unless noted otherwise.

An investment in Tanggram Tech Future offered under this SPDS is not guaranteed by the Responsible Entity, the Investment Manager or any of their directors, employees, advisors, agents, related parties or associates. This means that the performance of Tanggram Tech Future, any return of capital or any particular rate of return on your investment is not guaranteed and to the maximum extent permitted by law, they deny any liability for any loss or damage suffered by any person investing on the Fund. An investment in the Fund does not represent a deposit with or a liability of the Responsible Entity or the Investment Manager.

You should consider this when assessing the suitability of the investment, and particular aspects of risk, including the risk of loss of income and capital invested or delays in repayment. The significant risks associated with investing in the Fund are summarised in Section 8 of the PDS.

This document contains important information but does not constitute financial product advice and accordingly does not take into account your investment objectives, financial situation or particular needs. Before making any decision based upon information contained in this document, you should read it carefully in its entirety and consult with a financial adviser or tax adviser.

This SPDS has been prepared to comply with the requirements of the laws of Australia. The distribution of this SPDS in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this SPDS should seek their own advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This SPDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

The assets depicted in photographs in this SPDS are not assets of the Fund unless otherwise stated.

This SPDS is available in electronic format, including access via our website [www.vascofm.com](http://www.vascofm.com). If you are unsure whether the electronic document you have received is complete, please contact us.

A printed copy is available free of charge by contacting the Responsible Entity (see the Corporate Directory in Section 12 of the PDS).

Information in this SPDS is subject to change from time to time. If the change is not materially adverse to investors, the Responsible Entity may update the SPDS by posting a notice on its website at [www.vascofm.com](http://www.vascofm.com). If the change is materially adverse to investors, the Responsible Entity will replace this SPDS or issue a supplementary SPDS.

If there are any inconsistencies between the PDS, SPDS and the Constitution, the Constitution will prevail. If there are any inconsistencies between the PDS and this SPDS the SPDS will prevail.

We recommend you obtain and review all information before you invest.

Alternatively, you can contact the Investment Manager on [info@tanggram.com](mailto:info@tanggram.com) or +61 1300 099 777 and they will send you the requested information free of charge.

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# 1. A Snapshot of Tanggram Tech Future

Key Features	Description	Further Information
<b>Offer</b>	An investment in Tanggram Tech Future, an Investment Option of the Tanggram Investment Fund.	
<b>Objective</b>	To provide long-term capital growth by allocating funds among selected Exchange-traded Funds (ETFs) and managed funds which invest in listed technology companies, with the aim to outperform the benchmark MSCI World Index over rolling three-year periods after fees and taxes.	
<b>Investment Strategy</b>	<p>Tanggram Tech Future will invest in a portfolio of ETFs and managed funds which invest in listed technology companies or hold a large portion of these shares. These ETFs are selected by the Investment Manager.</p> <p>The Investment Manager's mandate is to invest in ETFs listed on the Australian Securities Exchange to access technology companies listed on share markets in Australia, the US and Asia.</p> <p>The composite ETFs can be passively managed or actively managed, can track capital-weighted index or equal-weighted index.</p> <p>The Investment Manager intends to initially invest in the following:</p> <ul style="list-style-type: none"> <li>· Magellan Global Fund - Open Class Units</li> <li>· ETFS Morningstar Global Technology ETF</li> <li>· BetaShares Asia Technology Tigers ETF</li> <li>· BetaShares S&amp;P/ASX Australian Technology ETF</li> </ul>	Section 2.1 of this SPDS
<b>Whom it may suit</b>	Buy and hold investors seeking long-term capital growth in the technology industry and with a higher tolerance for the risks associated with share market volatility and concentration on a particular industry.	
<b>Eligibility</b>	Tanggram Tech Future is available to Investors who participate in the Tanggram Shopping Rewards Program and Investors who invest directly.	
<b>Key Risks</b>	It is important that you read and consider the risks associated with an investment in the Fund before deciding whether to invest. For example, distributions or capital returns are not guaranteed.	Section 3.2 of this SPDS and Section 8 of the PDS
<b>Suggested Investment Period</b>	At least 7 years.	Section 2.2 of this SPDS
<b>Target Market Determination</b>	Tanggram Tech Future is likely to be appropriate for consumers seeking capital growth to be used as a satellite/small allocation within a portfolio whether the consumer has a long investment time frame, very high risk/return profile and needs weekly access to capital.	Section 2.2 of this SPDS

<b>Minimum Investment Amounts</b>		
<b>Initial Investment</b>	\$1,000	Section 4.1 of this SPDS
<b>Additional Investment</b>	\$100	
<b>Minimum Balance</b>	\$100	
<b>Fees and Other Costs of the Fund</b>		
<b>Responsible Entity Fees</b>	Up to 0.31% per annum of the Gross Asset Value of Tanggram Tech Future. This fee is apportioned pro-rata across each Investment Option of the Fund based on the gross asset value, and is subject to a minimum fee of \$62,700 per annum for the Fund.	Section 5 of this SPDS
<b>Investment Manager's Fees</b>	The Investment Manager is not entitled to a management fee or a performance fee as at the date of this IM.	
<b>Administration Manager's Fees</b>	<p>The Administration Manager is entitled to an administration fee of:</p> <p>(a) \$86,416 per annum where the Fund has more than 1,000 investors;</p> <p>(b) An additional administration fee of \$34,883 per annum applies for administrative fees; and</p> <p>(c) An additional \$11,440 is paid for weekly processing.</p> <p>This fee is apportioned pro-rata across each Investment Option of the Fund based on the gross asset value.</p>	
<b>Expenses</b>	<p>In addition to the base management fee, the Responsible Entity is entitled to recover all reasonable expenses properly incurred in the performance of its duties. The engagement of service providers such as the Administration Manager and Custodian will be an expense of the Fund.</p> <p>Expenses are estimated to be 1.49% p.a. of the Gross Asset Value of Tanggram Tech Future.</p>	
<b>Indirect Costs</b>	<p>Indirect costs are amounts that the Responsible Entity knows, or estimates, will reduce the Fund's returns. The costs are paid from the Fund's assets, or the assets of interposed entities, such as the underlying investment funds, which each Investment Option invests in from time to time.</p> <p>These are estimated to be 0.69% per annum of the Gross Asset Value of Tanggram Tech Future.</p>	Section 5 of this SPDS
<b>Buy/Sell Spread</b>	A buy spread of 0.30% and a sell spread of 0.30%.	

## 2. About Tanggram Tech Future

### 2.1. Investment Objective and Strategy

The objective of Tanggram Tech Future is to provide long-term capital growth by allocating funds among ETFs to invest in listed technology companies. The objective is to outperform the benchmark MSCI World Index over rolling three-year periods after fees and taxes. This unit class will invest in a portfolio of ETFs which invest in listed technology companies or hold a large exposure to technology companies. These ETFs will be selected by the Investment Manager.

MSCI is a leading provider of research tools for the investment community. The MSCI World Index is a broad global equity index that represents large and mid-cap equity performance across all 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalisation in each country. In the event that MSCI stops publishing the MSCI World Index or materially amends the index, the Investment Manager may consider an alternative index with the same or similar characteristics.

The Investment Manager's mandate is to invest in ETFs listed on the Australian Securities Exchange and managed funds to access technology share markets in Australia, US and Asia. The composite ETFs can be passively managed or actively managed, can track capital-weighted index or equal-weighted index.

The Investment Manager intends to initially invest per the following target asset allocation:

TANGGRAM TECH FUTURE TARGET ASSET ALLOCATION			
ASX Code	Name of Fund	Index	Target Allocation
MGOC	Magellan Global Fund – Open Class Units	-	15% - 25%
TECH	ETFS Morningstar Global Technology ETF	Morningstar® Developed Markets Technology Moat Focus Index <sup>sm</sup>	15% - 25%
ASIA	BetaShares Asia Technology Tigers ETF	Solactive Asia Ex-Japan Technology & Internet Tigers Index	35% - 45%
ATEC	BetaShares S&P/ASX Australian Technology ETF	S&P/ASX All Technology Index	15% - 25%
Cash			0-5%
Total			100%

The asset allocations outlined in this section are for indicative purposes only, and the Investment Manager might alter this allocation from time to time at their discretion. Any changes to the Investment Manager's target asset allocation will be updated on the Tanggram App. There is no guarantee that the Fund will exhibit these exact characteristics at any point in time.

The portfolio will be rebalanced quarterly to the target asset allocation.

The Investment Manager has chosen the above ETFs and managed funds for the following reasons:

- Magellan Global Fund – Open Class Units (**MGOC**)

The Magellan Global Fund has two unit classes on issue: Open Class Units (ASX: MGOC) and Closed Class Units (ASX: MGF). When the Investment Manager invests in the Magellan Global Fund it will be investing in the Open Class Units (MGOC). The Magellan Global Fund offers investors the opportunity to invest in a specialized and focused global equity portfolio. The Magellan Global Fund's primary investment objective is to achieve attractive risk-adjusted returns over the medium to long term while reducing the risk of permanent capital loss. Magellan aims to invest in companies that have sustainable competitive advantages which translate into returns on capital in excess of their cost of capital for a sustained period of time. Magellan endeavours to acquire these companies at discounts to their assessed intrinsic value. The Magellan Global Fund's portfolio will invest in comprise 20 to 40 global stocks. It is not Magellan's intention to hedge the foreign currency exposure of the Magellan Global Fund arising from investments in overseas markets.

The Magellan Global Fund is not limited to investing in the technology sector, as such, an investment into its Open Class Units (MGOC) may enhance the Fund's ability to diversify the sector-specific risks of the whole portfolio.

- ETFS Morningstar Global Technology ETF (**TECH**)

TECH aims to provide investors with a return that (before fees and expenses) tracks the performance of the Morningstar Developed Markets Technology Moat Focus Index. The index comprises 25 to 50 global technology companies across areas such as software, semiconductors, data processing, computer equipment and databases.

Companies are screened using Morningstar's proprietary Moat methodology, to include only those companies that are identified as possessing strong competitive advantages relative to their peers. Further, companies are selected for the index based on their attractiveness in terms of their pricing relative to their fair value, as evaluated by Morningstar's team of equity analysts.

The stocks in TECH are equally weighted which provides investors exposure to the overall sector and allows all stocks to contribute equally to returns.

Geographically, TECH provides exposure to developed countries and specifically the US market.

- BetaShares Asia Technology Tigers ETF (**ASIA**)

ASIA aims to track the performance of an index (before fees and expenses) comprising the 50 largest technology and online retail stocks in Asia (ex-Japan).

Asia is surpassing the West in terms of technology adoption and the Asian technology sector is anticipated to remain a growth sector. ASIA provides diversified exposure to this market.

- BetaShares S&P/ASX Australian Technology ETF (**ATEC**)

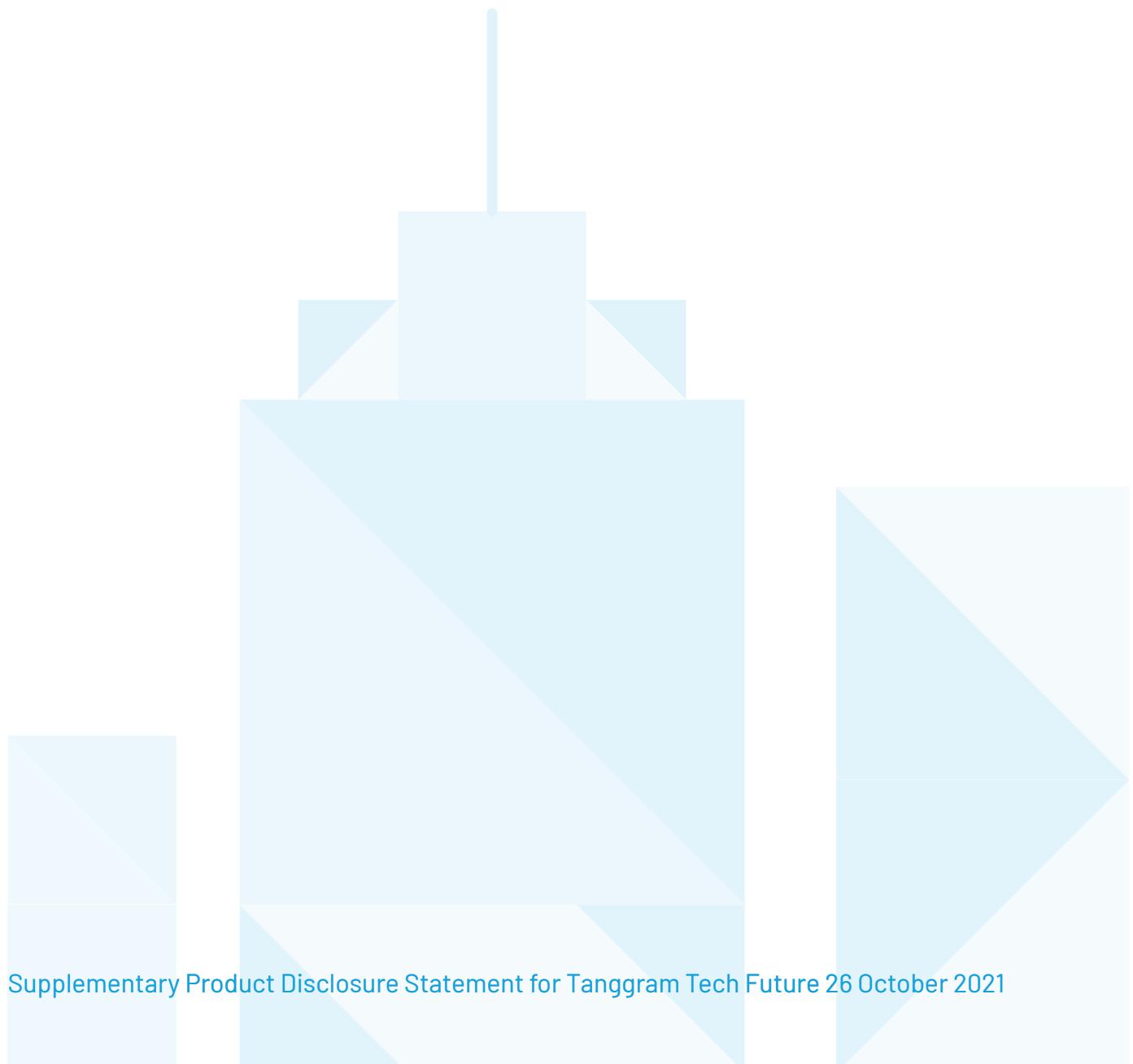
ATEC aims to track the performance of the S&P/ASX All Technology Index (before fees and expenses). The Index provides exposure to leading ASX-listed companies in a range of tech-related market segments.

## **2.2. Suggested Investment Period & Target Market Determination**

- Tanggram Tech Future may suit those buy and hold investors seeking long-term capital growth in the technology industry and with a higher tolerance for the risks associated with share market volatility.

- The suggested investment period is at least 7 years.

The Target Market for Tangram Tech Future is those investors who seek capital growth to be used as a satellite/small allocation within a portfolio whether the consumer has a long investment time frame, very high risk/return profile and needs weekly access to capital. The full statement of Target Market Determination for the Fund can be found on Tangram's website, [www.tanggram.com](http://www.tanggram.com).



## 3. Benefits and Risks

### 3.1. Benefits

Tanggram is a smart personal wealth app that combines a shopping rewards program with investments. To make investing and saving simple and easy, you can invest into Tanggram Tech Future Portfolio with just \$50. The portfolio is composed of ETFs that are quoted on the ASX.

- Free to withdraw at any time (subject to liquidity).

You can request a withdrawal of all or part of your investment from your Tanggram investment account through the App. Please refer to section 4.3 of this SPDS which sets out the terms on which withdrawals will be processed. There are no fees or penalties for withdrawals.

- Simple and low fees.

Tanggram does not charge switching fees if you change your selected Portfolio, does not charge fees for making contributions into or withdrawals from your investment account and also does not charge any brokerage, trading or transaction fees for purchasing the ETF Units.

- Transparency of holdings.

Tanggram Tech Future will invest in the future technology industry domestically and internationally. Investors will be able to view the portfolio through the Tanggram app and at [www.tanggram.com](http://www.tanggram.com).

Please refer to Section 6 of the PDS for a summary of the general benefits of investing in the Fund as considered by the Investment Manager.

### 3.2. Risks

Please refer to Section 7 of the PDS for a full summary of the risks. These risks include but are not limited to:

- Investment risk
- Interest rate risk
- Fund risk
- Valuation risk
- Disputes and defaults risk
- Multi-Class risk

In addition to these risks summarised in the PDS, the following risks relate specifically to an investment in Tanggram Tech Future:

#### **General Investment risk**

The returns from investments in the Fund are affected by a range of economic factors, including changes in interest rates, exchange rates, inflation, general share and property market conditions, government policy (including monetary and taxation policy and other laws), fluctuations in general market prices for property, shares, bonds and other tradeable investments and the general state of the domestic and world economies.

The value of an investment may rise or fall, distributions may or may not be paid and Investor's capital may or may not be returned. No guarantee is made by the Responsible Entity, the Investment Manager, or any of their directors, associates or consultants on the performance of the Fund.

### **Tracking**

When used for hedging purposes, an imperfect or variable degree of correlation between price movements of any tracking instrument and the underlying investment sought to be tracked may prevent the Fund from achieving the intended tracking effect or may expose the portfolio to the risk of loss.

### **Liquidity risk**

Some underlying ETFs and actively managed investment companies which the Fund invests into may employ derivative instruments. Such instruments, especially when traded in large amounts, may not always be liquid. Hence in volatile markets, those companies may not be able to close out a position without incurring a loss. In addition, exchanges on which the constituent underlying funds and investment companies conduct transactions may have daily limits on price fluctuations and speculative positions limits. These limits may prevent the companies from liquidating positions promptly, thereby subjecting the Fund to the potential of greater losses.

### **Risks of executing investment strategies**

The Fund may invest in a number of securities and obligations that entail substantial inherent risks. Although the Fund will attempt to manage those risks through careful research, ongoing monitoring of investments and appropriate hedging techniques where appropriate, there is no assurance that the securities and other instruments purchased by the Fund will in fact increase in value or that the Fund will not incur significant losses.

### **Market risk**

In large measure, the profitability of a significant portion of the Fund's investment program depends on correctly assessing the future course of the price movements of securities and other investments. There is no assurance that the Fund will be able to accurately predict those price movements. Although the Fund may attempt to mitigate market risk through the use of various investment techniques, there is always some and occasionally a significant degree of market risk.

### **Hedging**

Although the underlying funds which the Fund invests into may attempt to hedge exposure to specific arbitrage positions, it will not always be possible to fully hedge risk from such positions or any other position.

### **Company-specific risk**

The Fund's investment in underlying ETFs and actively managed investment companies is exposed to company specific risks associated with the individual holdings in their portfolio. Company specific risk is inherent in a particular stock's performance due to factors that are pertinent to that company. These factors will cause a stock's return to differ from that of the market. An investment in a company may be affected by unexpected changes in that company's operations (such as changes in management or loss of a big customer) and business environment.

### **Return risk**

The Fund seeks to deliver returns to Investors. However, Investors should note that an investment in the Fund is not an investment in an ADI (such as a bank) regulated by APRA and an investment in the Fund carries more risk than an investment in a bank. As a general rule, higher potential returns have higher levels of uncertainty (high-risk) than investments with lower potential returns and low levels of uncertainty (low-risk).

## Tanggram Investment Fund

The Fund may not be successful in meeting this objective and returns are not guaranteed.

None of the Trustee, the Investment Manager nor any other person or entity guarantees any income or capital return from the Fund.

### Diversification risk

The Fund will invest in ETFs and actively managed investment companies with underlying investments in predominantly technology companies. As such, the Fund may experience more volatile returns than investing in a more diversified portfolio.

**You must read the Fund's PDS in conjunction with this SPDS before you invest in Tanggram Tech Future. Neither the Responsible Entity nor Investment Manager guarantees the repayment of investments or the performance of the Fund or of any Investment Option within the Fund.**

**We strongly recommend that Investors obtain independent financial advice before investing in the Fund.**

## **4. Investment Terms**

### **4.1. Minimum Investment Amounts**

The Responsible Entity will accept a minimum initial investment of at least \$1,000.

The Responsible Entity will accept minimum additional investments of at least \$100.

All investments may be made up of amounts transferred from the Tanggram Shopping Rewards Program, money transferred from your own bank account, money transferred via regular direct debit (if available) or any combination of these.

Section 5 of the PDS outlines how your Shopping Rewards can be used to invest in the Fund.

### **4.2. Making Investments**

Section 4 of the PDS outlines the terms on which investments will be processed.

Applications for units in Tanggram Tech Future will generally be processed twice a week, with Units issued within 10 Business Days of the next issue date after the Application is received.

Applications for units will be processed at the Unit price current at the time the applications are processed.

Investors should note that there may be some delay in the allocation of Units during the period between 30 June and 30 September in any given year while the Fund's annual accounts are being finalised.

### **4.3. How to Withdraw**

You can request a withdrawal of all or part of your investment through the Tanggram App or by submitting to the Responsible Entity a Withdrawal Request Form.

While Tanggram Tech Future remains liquid, Investors can generally withdraw from Tanggram Tech Future weekly subject to providing a valid Withdrawal Request. Investments in the Fund are subject to cooling off rights.

Withdrawals will be processed at the Unit price current at the time the Withdrawal Request is processed by the Responsible Entity.

Withdrawal Requests will generally be deposited in the Investor's nominated bank account within 10 Business Days after the date on which the Responsible Entity has processed the request.

Where there is insufficient liquidity in a given week to satisfy all Withdrawal Requests, Investors will be redeemed pro-rata each week thereafter until their Withdrawal Request is satisfied in full. Under the Constitution, the Responsible Entity is required to make payment of accepted Withdrawal Requests within 12 months of receipt.

Withdrawal Request Forms are also available online at [www.vascofm.com](http://www.vascofm.com).

Where a Withdrawal Request that has been granted results in an Investor's remaining Units having a value less than the Minimum Balance, the Responsible Entity may treat the Withdrawal Request as also relating to the balance of the Investor's holding.

Under the terms of the Constitution, in certain situations, the Trustee is able to, amongst other things, suspend all redemptions or compulsorily redeem Investors where it believes that doing so is in the best interests of Investors in the Fund as a whole.

### **4.4. Distribution Payments**

Distributions are expected to be calculated on a rolled-up basis and paid annually. Distributions will be generally paid to investors within 60 Business Days of the end of each financial year following the finalisation of the Fund's annual accounts.

An investor's entitlement to a distribution payable for a distribution period will be calculated with reference to the following formula:

- a) the distribution payable calculated on the last day of the financial year multiplied by:
- b) the proportion of units each investor holds (units held on the last day of the financial year divided by the total number of units on issue on the last day of the financial year).

The Responsible Entity may decide not to distribute amounts which it reasonably considers necessary to meet any outgoings or liabilities (actual or contingent) in respect of the Fund including any amounts required for tax withholdings Taxes paid or withheld that are allocable to one or more Investors will be deemed to have been distributed to such Investors for the purposes of determining the above calculations.

### **4.5. Distribution Reinvestment**

Investors may choose to have their distributions paid directly into their nominated account or reinvested as additional units in the Fund. If an Investor has not specified how they would like distributions to be paid, the default option will be to reinvest distributions into the Fund.

No minimum investment amount applies to any distribution re-investment.

Your preference for payment into a nominated financial institution account or reinvestment may be changed at any time by completing a Change of Details Form, which is available on the Responsible Entity's website at [www.vascofm.com](http://www.vascofm.com).

## 5. Fees and other costs

This section sets out the fees and other costs that may be attributed to Tangram Tech Future. You should read all information about fees and costs carefully as it is important to understand their impact on your investment.

### CONSUMER ADVISORY WARNING

#### 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 investment 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](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.**

### 5.1. Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in Section 8 of the PDS.

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

**Tanggram Investment Fund - Tanggram Tech Future Investment Option**

TYPE OF FEE OR COST <sup>1</sup>	AMOUNT <sup>2</sup>	HOW AND WHEN PAID
<b>ONGOING ANNUAL FEES AND COSTS</b>		
<b>Management fees and costs</b> The fees and costs for managing your investment	<p>An annual Responsible Entity fee of:</p> <ul style="list-style-type: none"> <li>- 0.31% per annum of the gross value of the Fund's assets up to \$100m,</li> <li>- 0.05225% per annum of the gross asset value of the Fund's assets on amounts greater than or equal to \$100m but less than \$200m; plus</li> <li>- 0.03135% per annum of the gross asset value of the Fund's assets on amounts greater than or equal to \$200m,</li> </ul> <p>subject to a minimum fee of \$62,700 per annum.</p> <p><b>PLUS</b></p> <p>Indirect costs and ordinary expenses of the Fund: 2.18%<sup>3</sup> per annum of the gross asset value of Tanggram Tech Future.</p>	<p>This fee component of management fees and costs is calculated on the gross asset value of the Fund and accrued monthly and payable to the Responsible Entity monthly in arrears out of the Fund's assets within 7 days of the end of each month. This component is apportioned pro-rata across all Investment Options based on the respective gross asset value of each Investment Option.</p> <p>This costs component of management fees and costs may be claimed on a monthly basis, and is deducted from the assets of Tanggram Tech Future on at least a monthly basis.</p>
<b>Performance fees</b> Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable
<b>Transaction costs</b> The costs incurred by the scheme when buying or selling assets	0.00% <sup>4</sup> of the gross asset value of Tanggram Tech Future.	Transaction costs are paid at the time of purchasing or selling the investments of Tanggram Tech Future out of the Investment Option's assets.
<b>MEMBER ACTIVITY RELATED FEES AND COSTS (FEES FOR SERVICES OR WHEN YOUR MONEY MOVES IN OR OUT OF THE SCHEME)</b>		
<b>Establishment fee</b> The fee to open your investment	\$10	Deducted from your initial investment amount prior to the issue of units and paid to the Investment Manager

<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the scheme	- 0.30% buy spread of the application amount on entry into Tangram Tech Future  - 0.30% sell spread of the withdrawal amount on exit out of Tangram Tech Future	The buy/sell spread will be factored into the issue price or withdrawal price calculation on the issue or redemption of Units in Tangram Tech Future respectively.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Switching fee</b> The fee for changing investment options	Nil	Not applicable

1. See "Additional Explanation of Fees and Costs" below for further details as to fees and costs you may be charged.
2. All fees are inclusive of GST less any applicable input tax credits.
3. The costs component of management fees and costs comprises a reasonable estimate of the ordinary expenses and indirect costs that will apply, assuming a gross asset value of \$5 million for Tangram Tech Future, based on budgetary estimations from the Investment Manager for the financial year ending 30 June 2022. The actual amount may be higher or lower. The Investment Manager has agreed to support Tangram Tech Future to pay its fees and expenses until such time as they are able to be paid from the assets of Tangram Tech Future. The Investment Manager may be reimbursed from Tangram Tech Future in future years for any such funding it provides Tangram Tech Future.
4. This amount comprises a reasonable estimate of the transaction costs that will apply for the current financial year. The actual amount may be higher or lower. The transaction costs are an estimated cost after deducting the estimated costs of the buy/sell spread.

## 5.2. Example of Annual Fees and Costs

Example of annual fees and costs for the investment option

## Tanggram Investment Fund

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

<b>EXAMPLE – Tanggram Investment Fund – Tanggram Tech Future Investment Option<sup>3</sup></b>		<b>BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR</b>
<b>Contribution Fees</b>	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0</b> .
<b>PLUS Management fees and costs</b>	2.49% <sup>1</sup>	And, for every \$50,000 you have in the Fund, you will be charged <b>\$1,245</b> each year.
<b>PLUS Performance fees</b>	0.00%	And, you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year.
<b>PLUS Transaction costs</b>	0.00%	And, you will be charged or have deducted from your investment <b>\$0</b> in transaction costs.
<b>EQUALS Cost of Tanggram Tech Future</b>		<p>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 and costs of <b>\$1,235<sup>2</sup></b></p> <p><b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b></p>

· Additional fees may apply:

### **Establishment fee - \$10**

1. Please note that the Responsible Entity fees are subject to a minimum fee of \$62,700 p.a. The fee component of the amount is disclosed as a percentage of the gross asset value of the Tanggram Investment Fund of \$26 million, assuming a gross asset value for Tanggram Tech Future of \$5 million. Also, the costs component of the amount is a reasonable estimate disclosed as a percentage of the gross asset value of Tanggram Tech Future, assuming a gross asset value of \$5 million, which is based on budgetary estimations from the Investment Manager for the financial year ending 30 June 2022.

2. Additional fees may apply, such as any additional fees that your financial adviser or IDPS operator may charge you. Please note that this example does not capture all the fees and costs that may apply to you such as the buy/sell spread.

3. The Investment Manager has agreed to support Tanggram Tech Future to pay its fees and expenses until such time as they are able to be paid from the assets of Tanggram Tech Future. The Investment Manager may be reimbursed from Tanggram Tech Future in future years for any such funding it provides Tanggram Tech Future. Where these management fees and costs are not funded by the Investment Manager, they will be deducted from Tanggram Tech Future. The above example and all the fees and costs disclosed in the SPDS are disclosed on the basis that this payment has not been provided in order to give investors a more accurate description of the Tanggram Tech Future investment option's fees and costs.

### **5.3. Additional Explanation of Fees and Costs**

All fees are inclusive of GST less any applicable input tax credits.

#### **5.3.1. Management Fees and Costs**

The management fees and costs disclosed in the Fees and Costs Summary contain a number of components, as set out below.

The management fees and costs include the Responsible Entity fees, ordinary expenses and indirect costs. They do not include the transaction costs.

##### **• Responsible Entity Fees**

The Responsible Entity charges the following fees for overseeing the Fund's operations and providing access to the Fund in accordance with the Constitution:

(a) An establishment fee of \$23,512.50 payable to the Responsible Entity on the establishment of the Fund. This fee has been paid by the Investment Manager, and is not payable from the assets of the Fund.

(b) An annual Responsible Entity fee of:

- 0.31% per annum of the gross value of the Fund's assets up to \$100m,
- 0.05225% per annum of the gross asset value of the Fund's assets on amounts greater than or equal to \$100m but less than \$200m; plus
- 0.03135% per annum of the gross asset value of the Fund's assets on amounts greater than or equal to \$200m, subject to a minimum fee of \$62,700 per annum.

This fee is calculated on the gross asset value of the Fund and accrued monthly and payable to the Responsible Entity monthly in arrears out of the Fund's assets within 7 days of the end of each month. This fee is apportioned pro-rata across all Investment Options based on the respective gross asset value of each Investment Option.

(c) A termination fee of \$9,927.50 on the replacement of the Responsible Entity or winding up of the Fund. This fee is payable out of the Fund's assets.

##### **• Ordinary Expenses**

The ordinary expenses are costs incurred by the Responsible Entity in the establishment and operation of the Fund and Tangram Tech Future and includes fees payable to the Custodian, Administration Manager, Auditor incidental expenses of the Investment Manager and other administrative expenses such as accounting and legal advice, audit fees, insurances, consulting fees, costs relating to Investor meetings and registry fees.

The ordinary expenses component of management fees and costs in the Fees and Costs Summary is 1.49% p.a. of the gross asset value of Tangram Tech Future, which is the Responsible Entity's reasonable estimate for the current financial year. The ordinary expenses are deducted from the assets of Tangram Tech Future on at least a monthly basis.

This estimate includes a provision for abnormal operating expenses of \$20,000 which are due to abnormal events that the Responsible Entity does not foresee at the date of this SPDS, such as the cost of running Investor meetings, for example.

It is important to note that this estimate is based on the gross asset value of Tanggram Tech Future being approximately \$5 million based on the budgetary estimations from the Investment Manager for the financial year ending 30 June 2022. The actual expenses may be higher or lower depending on the actual amount of money raised by the Fund.

The estimate of ordinary expenses includes the fees paid to the Administration Manager, Vasco Fund Services. The Administration Manager charges the following fees for providing administrative services to the Fund:

- (a) A fee of \$86,416 per annum where the Fund has more than 1,000 investors;
- (b) An additional administration fee of \$34,883 per annum; and
- (c) An additional \$11,440 is paid for weekly processing.

The administration fee is subject to an annual increase of 5% on 1 January of each year. The administration fee for the Fund will be apportioned pro-rata across all Investment Options based on the respective GAV of each Investment Option.

These fees are inclusive of GST. The Administration Manager's engagement is for a minimum period of four (4) years. The Administration Manager is a related party of the Responsible Entity. Its fees are negotiated on an arm's length basis.

The Constitution does not limit the amount that the Responsible Entity can recover from the Fund as expenses provided, they are properly incurred in relation to the proper performance of the Responsible Entity's duties in operating the Fund. For example, the Responsible Entity is entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of unitholder meetings, legal costs of any proceedings involving the Fund and terminating the Fund.

### **• Indirect Costs**

Indirect costs are not directly paid by investors. Indirect costs are those amounts paid from Tanggram Tech Future that we know or, where required, reasonably estimate will reduce the return of Tanggram Tech Future or the amount or value of the income of Tanggram Tech Future or an underlying fund in which Tanggram Tech Future invests, that are not otherwise included in the ordinary expenses.

The indirect costs component of management fees and costs in the Fees and Costs Summary is 0.69% p.a. of the gross asset value of Tanggram Tech Future, which is the Responsible Entity's reasonable estimate for the current financial year. The indirect costs are deducted from the assets of Tanggram Tech Future on at least a monthly basis.

The indirect costs may vary from year to year.

### **5.3.2. Transaction Costs**

Transaction costs are costs incurred by Tanggram Tech Future for buying and selling the assets for Tanggram Tech Future. These costs may include brokerage, settlement costs, OTC derivative costs, clearing costs, stamp duty and other government taxes or charges and include underlying buy/sell spreads and the transaction costs incurred by the underlying assets. The transaction costs in the Fees and Costs Summary of 0.00% per annum as applied to the gross asset value of Tanggram Tech Future is a reasonable estimate of the transaction costs that will apply for the current financial year, after deducting estimated costs

attributable to the buy/sell spread.

For every \$50,000 you have in the Fund, it is estimated you will incur \$0 in transaction costs, after deducting any estimated costs attributable to the buy/sell spread. The transaction costs disclosed in the Fees and Costs Summary are net of any amount recovered by the buy/sell spread.

The Responsible Entity reasonably estimates that the total gross transaction costs for the current financial year will be \$14,250, before deducting any estimated costs attributable to the buy/sell spread. After deducting an estimate of costs attributable to the buy/sell spread, this amount will reduce to \$0. Transaction costs are paid out of the assets at the time of purchasing or selling the investments of Tangram Tech Future and reflected in the unit price. The transaction costs may vary from year to year, including to the extent that they rely on estimates.

#### **. Buy/Sell Spread**

Investments and withdrawals may incur buy and sell spreads, which are designed to ensure, as far as practicable, that any transaction costs incurred as a result of an investor entering or leaving the Fund are borne by that investor. Transaction costs are additional costs to investors where they have not already been recovered by the buy/sell spread.

Buy and sell spreads are calculated based on the actual or estimated costs Tangram Tech Future may incur when buying or selling assets. The buy and sell spreads are retained within Tangram Tech Future and are not fees paid to the Responsible Entity or Investment Manager. The buy spread is taken out of application amounts. The sell spread is taken out of withdrawal amounts.

As at the date of this SPDS, the buy spread is 0.30% of the application amount and the sell spread is 0.30% of the withdrawal amount for an investment in Tangram Tech Future.

The Responsible Entity may vary the buy/sell spread from time to time. If the buy and sell spreads are updated, a notification will be published online at [www.vascofm.com](http://www.vascofm.com).

#### **5.3.3. Taxation**

Unless otherwise stated, all fees set out in this section are inclusive of the net effect of GST. This includes GST, net of input tax credits or reduced input tax credits as applicable.

For further information on tax, please refer to Section 8 of the PDS.

#### **5.3.4. Abnormal Expenses**

The Responsible Entity is entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of Unitholder meetings, legal costs of any proceedings involving the Fund and terminating the Fund. Whilst it is not possible to estimate such expenses with certainty, the Responsible Entity anticipates that the events that give rise to such expenses will rarely occur. However, if abnormal expenses are charged, they will be recovered from the Fund's assets when they are incurred.

#### **5.3.5. Fees for Other Services**

The Responsible Entity or a related party of the Responsible Entity may also provide other services to the Fund and/or specific Investment Option or the Fund's Unitholders in the future. Should that occur, the Responsible Entity or a related party of the Responsible Entity will charge fees for those services at commercial market rates for the provision of those services.

## 5.3.6. Changes to Fees and Expenses

The Responsible Entity may change the fees and expenses referred to in this SPDS without the consent of Unitholders. The Responsible Entity will provide at least 30 days' notice to Unitholders of any proposed increase in fees or expense recoveries or introduction of new fees.

## 5.3.7. Waiver and Deferral of Fees

The Responsible Entity may, in its discretion, accept lower fees and expenses than it is entitled to receive, or may agree to defer payment of those fees and expenses for any time. If payment is deferred, then the fee or expense will accrue until paid.

The Investment Manager has agreed to pay the Responsible Entity's fees until such time as these fees are able to be paid from the Fund's assets. The Responsible Entity has agreed to reimburse the Investment Manager any fees paid by it to the Responsible Entity from the Fund's assets at such time when the Fund is able to do so.

All deferred fees and expenses will also be paid upon any retirement or removal of the Responsible Entity.

## 5.3.8. Advice Fees

The Responsible Entity does not pay advice fees.

You may agree with your financial adviser that an initial advice fee will be paid for ongoing financial planning services your financial adviser provides for you in relation to your investment. This advice fee is additional to the fees shown in this section, and is paid to the Australian financial services licensee responsible for your financial adviser (or your financial adviser directly if they are the licensee). It is not paid to the Responsible Entity.

## 5.3.9. Other Payments and Benefits

Your financial adviser may receive payments and/or other benefits from the organisation under which they operate. These payments and benefits are not paid by the Fund.

## 6. Glossary

<b>Fund</b>	Exchange-traded fund.
<b>Investment Option</b>	Investment Options provided by the Fund to Investors with each investment option offering different rights and returns. Each Investment Option is operated as a distinct Unit Class of the Fund under the Fund's Constitution. The rights of Investors in each investment option are set out in an SPDS.
<b>Offer</b>	Offer of Units in Tangram Tech Future pursuant to this SPDS and the PDS for the Fund.
<b>Tanggram Tech Future</b>	An Investment Option of the Tangram Investment Fund.
<b>SPDS</b>	A supplemental product disclosure statement in respect of each Investment Option.



## 7. Corporate Directory

### Responsible Entity

Vasco Trustees Limited (ACN 138 715 009)  
Level 4, 99 William Street, Melbourne, VIC 3000, Australia  
**Telephone:** +61 3 8352 7120  
**Email:** [info@vasco.com](mailto:info@vasco.com)  
**Website:** [www.vascofm.com](http://www.vascofm.com)

### Administration Manager

Vasco Fund Services Pty Limited ACN 610 512 331  
Level 4, 99 William Street, Melbourne, VIC 3000, Australia  
**Telephone:** +61 3 8352 7120  
**Email:** [info@vasco.com](mailto:info@vasco.com)  
**Website:** [www.vascofm.com](http://www.vascofm.com)

### Investment Manager

Tanggram Capital Pty Ltd (ACN 630 041 020)  
Level 18, 31 Queen Street, Melbourne VIC 3000, Australia  
**Telephone:** +61 1300 099 777  
**Email:** [info@tanggram.com](mailto:info@tanggram.com)  
**Website:** [www.tanggram.com](http://www.tanggram.com)

### Custodian

Perpetual Corporate Trust Limited (ACN 000 431 827)  
Level 18, 123 Pitt Street, Sydney NSW 2000, Australia



