


Tyndall International Bond Fund

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This PDS provides a summary of significant information about the Tyndall International Bond Fund (ARSN 098 735 758) (Fund) together with references to additional important information about the Fund which is available on our website at www.tyndall.com.au or by calling Tyndall Investor Services. References to additional information are highlighted with a . It is important you read this PDS and the additional information (which forms part of this PDS) before making a decision about the Fund.

The information in this PDS is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

Updated information

Information in this PDS may change. Any updates to information that is not materially adverse will be provided on our website at www.tyndall.com.au/pds. Please check our website or call Tyndall Investor Services or your financial adviser for any updates prior to investing. A paper copy of any updates will be provided free of charge on request.

Issued by Tyndall Asset Management Limited ABN 34 002 542 038, AFSL 229664 as responsible entity of, and issuer of units in, the Tyndall International Bond Fund.

Contact details

Tyndall Investor Services

Address: GPO Box 804
Melbourne VIC 3001

Phone: 1800 251 589
8.30am to 5.30pm (Sydney time)
Monday to Friday

Fax: 1300 362 722

Email: investor@registry.tyndall.com.au

Web: www.tyndall.com.au

Tyndall International Bond Fund

Product Disclosure Statement

1. About Tyndall

Tyndall Asset Management Limited ('Tyndall', 'we', 'our' or 'us') is the responsible entity of the Tyndall International Bond Fund (Fund).

Tyndall is a wholly-owned subsidiary of Nikko Asset Management Co., Ltd, one of the largest asset management companies in Japan with approximately A\$160.9 billion in funds under management as at 30 September 2011.

As responsible entity, we are responsible for ensuring the Fund is managed in accordance with its Constitution and stated investment strategy and for the day-to-day administration of the Fund.

We have appointed Tyndall Investment Management Limited ABN 99 003 376 252 AFSL 237563, a related company, as the investment manager of the Fund. Tyndall Investment Management Limited is an award-winning manager of Australian investment funds, specialising in Australian shares and Australian and international fixed interest.

Tyndall Investment Management Limited aims to consistently add value to the fixed interest portfolios it manages by identifying pricing anomalies through a combination of fundamental economic analysis and in-depth quantitative research and risk/return analysis. Portfolios are actively managed to take advantage of future movements in interest rates and credit risk, with a strong focus on diversifying the sources of value to achieve a lower portfolio risk.

Tyndall Investment Management Limited believes that markets are often incorrect in forecasting short and medium-term influences and disequilibrium in supply and demand causes prices to adjust to new levels as new information is absorbed, often resulting in markets overshooting fair value levels. Tyndall Investment Management Limited seeks to extract value from the risk premiums paid to investors based on the team's assessment of the appropriateness of these premiums given the team's outlook for interest rates and the economic environment.

For more information about Tyndall Investment Management Limited's investment process please refer to the Fund's Product Summary at www.tyndall.com.au

2. How the Tyndall International Bond Fund works

The Fund is a managed investment scheme in which amounts invested by individual investors are pooled to buy assets on behalf of all investors in the Fund. Assets are selected and managed by a professional investment management team.

Investors are issued units which represent their beneficial interest in the assets of the Fund as a whole. Investors do not have an entitlement to any particular asset of the Fund.

A unit price is usually calculated each business day by dividing the total net value of the Fund's assets by the number of units on issue in the Fund. The Fund's assets are valued in accordance with the Fund's Constitution, based on market values. Unit prices will vary as the market value of the Fund's assets rise or fall.

An allowance for transaction costs incurred in buying and selling Fund assets may be added to, or subtracted from, the Fund's net asset value to determine a purchase price and a redemption price. The difference between the purchase price and the redemption price is known as the buy/sell spread.

When you invest in the Fund you will be issued units based on the purchase price. When you withdraw from the Fund your units will be redeemed at the applicable redemption price.

The most recent unit prices are available at www.tyndall.com.au

Investing

To invest in the Fund you will need to complete an Application Form. Please see Section 8 'How to apply' for more information.

You can add to your investment at any time by sending us a new Application Form or your written instructions, together with your investment amount.

The following minimum investment amounts apply:

- Minimum initial investment: \$25,000
- Minimum additional investment: \$1,000

We may accept lower amounts at our discretion and reserve the right not to accept an application to invest for any reason.

The number of units issued to you when you make an investment will be calculated by dividing the amount you invest by the applicable purchase price.

The cut-off time each business day for receiving applications is 2pm Sydney time. Completed applications received before the cut-off time will be processed using the purchase price for that day. Applications received after this time will be taken to have been received before the cut-off time on the next business day and will be processed on that day.

Confirmation of an investment will normally be issued within five business days of the investment being received.

Withdrawing

You can withdraw all or part of your investment by completing a Redemption Request Form and mailing or faxing it to us. Forms are available at www.tyndall.com.au or on request from Tyndall Investor Services. Alternatively you can send us a signed, written request by mail or fax.

The minimum withdrawal amount is \$5,000, or your investment balance if less than \$5,000.

Withdrawal requests received before 2pm Sydney time on a business day will generally be effective that day. Withdrawal requests received after this time, or on a non-business day, will generally be effective the next business day.

Withdrawal proceeds are usually paid within five business days of receiving the withdrawal request and are paid by direct credit to your nominated Australian financial institution account. The Fund's Constitution allows up to 30 business days from receipt of a request for a withdrawal to be satisfied in normal circumstances.

In certain circumstances, such as when there is a freeze on withdrawals, you may not be able to withdraw your investment within the usual period upon request and alternative withdrawal procedures may apply.



You should read the important additional information about investing and withdrawing before making a decision. Go to 'Additional information to the Product Disclosure Statement' at www.tyndall.com.au/pds

The material relating to investing and withdrawing may change between the time when you read this PDS and the day when you sign the Application Form.

Distributions

Net income and realised net capital gains generated by the Fund are normally distributed to investors half-yearly, usually within 30 days following 31 December and 30 June. The Fund's unit price will generally fall immediately following the end of a distribution period reflecting the amount of income and capital gains paid from the Fund.

The amount you receive each distribution will depend on the number of units you hold at the end of a distribution period and the amount per unit to be distributed by the Fund. The distribution amount will vary between distribution periods and is not guaranteed. There may be times when a distribution is not made by the Fund and times when a 'special' distribution is required outside the usual distribution periods.

You can choose to have your distributions reinvested in additional units in the Fund or paid directly into your nominated Australian financial institution account. If you do not make a choice we will automatically reinvest your distributions in additional units.

Units issued on reinvestment of a distribution are issued at the unit price determined on the first business day of the new distribution period.

You may alter your instruction to receive or reinvest distributions by completing a Change of Distribution Preference Form available at www.tyndall.com.au or on request from Tyndall Investor Services. Requests to change your instructions must be received at least five days prior to the end of a distribution period to be effective for that distribution period.

Please note, we may change the distribution frequency or timing but will give you notice of any change. The Fund's Constitution allows up to three months for distributions to be made.

Indirect investors

We authorise the use of this PDS for investors who wish to invest in the Fund indirectly through an Investor Directed Portfolio Service (IDPS), IDPS-like scheme or a nominee or custody service (collectively referred to as 'wrap accounts or master trusts').

If you invest in the Fund through a wrap account or master trust you do not become a unitholder in the Fund and therefore do not have the rights of a unitholder. The operator or custodian of the wrap account or master trust becomes a unitholder and acquires these rights and may exercise these rights as they see fit.

Please note that the operator or custodian of the wrap account or master trust may also apply different conditions to those outlined in this PDS including different cut-off and processing times for applications and withdrawals and different timeframes for payment of distributions and sending reports and notices to you.

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3. Benefits of investing in the Tyndall International Bond Fund

Significant features

The Fund is primarily invested in investment grade international fixed interest securities, selected by Tyndall Investment Management Limited.

Significant benefits

Benefits of investing in the Fund include:

- access to a portfolio of investment grade fixed interest securities which provide income
- the potential for capital growth over the long-term
- the potential to reduce risk through a diversified fixed interest portfolio
- Tyndall Investment Management Limited's fixed interest process and philosophy used to identify securities expected to add value
- regular investment statements and an annual tax statement to keep you up-to-date on your investment
- a dedicated customer service team to answer your queries and provide updates about the Fund and your investment.

4. Risks of managed investment schemes

All investments carry risk. The level of risk may be different for different types of funds depending on the underlying assets held in accordance with a fund's investment strategy. In general, assets with the highest long-term returns may also carry the highest level of short-term risk.

The significant risks of investing in the Fund are typical of the risks of managed investment schemes whose investment strategy is to invest in fixed interest securities. These risks include:

- **Credit risk and interest rate risk:** Fixed interest securities represent loans to borrowers including governments, banks and companies. Credit risk is the risk that a borrower may default on interest or capital repayments. Interest rate risk is the risk of exposure to changes in interest rates. An increase in interest rates results in the capital value of fixed interest investments falling.
- **Inflation risk:** This is the risk that the rate of inflation exceeds the investment return.

- **Market risk:** Economic, technological, political or legal factors and market sentiment can change and these changes may affect the value of investment markets and the Fund's investments. Tyndall Investment Management Limited aims to reduce this risk by actively monitoring markets and diversifying the Fund's portfolio.
- **Derivative risk:** Derivatives may be used within the Fund to manage currency and other risks and as an alternative to direct purchases or sales of underlying assets. Risks particular to derivatives include the risk that the value of a derivative may not move in line with the underlying asset, that counterparties to the derivative may not be able to meet payment obligations and the risk that a particular derivative may be difficult or costly to trade. Derivatives may not be used within the Fund for speculative or gearing purposes.
- **Liquidity risk:** This is the risk that an investment may not be able to be sold quickly enough to prevent or minimise a loss. A lack of liquidity may also affect the amount of time it takes us to satisfy withdrawal requests. We aim to reduce this risk by actively monitoring the cash levels of the Fund and the markets.
- **Fund risk:** Risks specific to the Fund include the risk that the Fund could terminate and that the fees and costs payable by the Fund could change. There is also a risk that investing in the Fund may give different results than investing individually because of income or capital gains accrued in the Fund and the consequences of investments and withdrawals by other investors. We aim to minimise some of these risks by monitoring the Fund and acting in investors' best interests.

Tyndall Investment Management Limited follows a disciplined risk control process and aims to achieve a lower portfolio risk through a diversified portfolio of investments that offer the best compromise between risk and expected return. However it is important for you to carefully consider the risks of investing in the Fund and to understand that:

- the value of your investment will go up and down
- investment returns will vary and future returns may differ from past returns
- returns are not guaranteed and you may lose some of the money you invest
- laws affecting managed investment schemes may change in the future.

The level of risk you are willing to accept will depend on a range of factors including your age, investment time frame, where other parts of your wealth are invested and your overall tolerance to risk.

5. How we invest your money

The following table provides an overview of the Fund's return objective and investment strategy.

You should consider the likely investment return and risk of the Fund and your investment time frame when deciding whether to invest in the Fund.

Tyndall International Bond Fund (APIR TYN0107AU)			
Fund description	<p>The Fund is a managed investment scheme that invests in a range of international fixed interest securities, and cash and short-term securities. It is designed for investors looking for investment returns from a portfolio of international fixed interest securities which is actively managed to take advantage of interest rate movements and the pricing of liquidity and credit risk in the international fixed income markets.</p> <p>The Fund's portfolio is predominantly comprised of investment grade securities with a Standard & Poor's long-term credit rating of A- or above and swap instruments. Exposure to securities with a credit rating below A- is limited to 10% of the value of the Fund.</p> <p>Tyndall Investment Management Limited uses multiple strategies such as duration, yield curve positioning, country and sector rotation, and credit management to take advantage of opportunities in all parts of the international fixed income market in all market conditions.</p> <p>Although the Fund is managed with reference to a global Government bond index, the investment strategy is to invest in a range of investment grade bonds. Exposure to individual countries and securities may vary from their weighting within the Fund's benchmark index from time to time.</p> <p>All investments are fully hedged back to Australian dollars.</p> <p>Derivatives may be used however the Fund's investment strategy does not permit derivatives to be used for speculative or gearing purposes.</p>		
Investment return objective	The Fund aims to outperform the JP Morgan Global Government Bond Index (ex Australia) in \$A (hedged) over any rolling three-year period.		
Strategic asset allocation	Asset sector	Benchmark	Range
	Overseas fixed interest	100%	50 – 100%
	Cash & short-term securities	0%	0 – 50%
Suggested minimum investment time frame	<p>3+ years</p> <p>Please note, this is a guide only, not a recommendation.</p>		
Risk level	<p>Low - Moderate</p> <p>The likelihood of the value of your investment going down over the short term is relatively low compared to investments in funds investing in other types of assets such as shares but higher than investments in cash. See Section 4 'Risks of managed investment schemes' for further information.</p>		
Other investment considerations	Labour standards and environmental, social and ethical considerations are not directly taken into account when making investment decisions for the Fund. However, these issues may be deemed to affect the possible financial performance of an investment and any such financial effect would influence investment decisions, particularly investments in non-Government securities.		
Up-to-date information	For up-to-date performance, Fund size and asset allocation details please refer to the Fund's Monthly Fund Update at www.tyndall.com.au or contact Tyndall Investor Services.		

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6. Fees and 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

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 investment fee calculator to help you check out different fee options. The calculator can also be used to calculate the effect of fees and costs on your investment.

The following table shows the fees and costs you may be charged when you invest in the Fund. These fees and costs may be deducted directly from your investment, the Fund's investment returns or the Fund's assets as a whole.

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

You can also use this information to compare the fees and costs between different managed investment schemes.

Type of fee or cost	Amount
Fees when your money moves in or out of the Fund	
Establishment fee The fee to open your investment	Nil
Contribution fee The fee on each amount contributed to your investment	Nil
Withdrawal fee The fee on each amount you take out of your investment	Nil
Termination fee The fee to close your investment	Nil
Management costs	
The fees and costs for managing your investment	0.65% p.a. of the net asset value of the Fund

Example of annual fees and costs for the Fund

This table gives an example of how the fees and costs of the Fund can affect your investment over a one-year period.

You can use this table to compare this fund with other managed investment schemes.

Example – Tyndall International Bond Fund		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	Nil	For every additional \$5,000 you invest, you will be charged \$0.
Plus Management costs	0.65% p.a.	And , for every \$50,000 you have in the Fund, you will be charged \$325 each year.
Equals Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you invest an additional \$5,000 during that year, you would be charged fees of: \$325* What it costs you will depend on the fees you negotiate with the Fund or your financial adviser.

*Assumes \$50,000 is invested for the entire year and \$5,000 is invested at the end of the year and that the value of the investment is constant over the year.

Additional explanation of fees and costs

Wholesale clients

We may negotiate different fees with wholesale clients as defined in the Corporations Act.

Changes to the fees and costs

We have the right to change the fees and costs outlined in this Section. We will give you 30 days' notice of any proposed increase.



You should read the important additional information about fees and costs before making a decision. Go to 'Additional information to the Product Disclosure Statement' at www.tyndall.com.au/pds

The material relating to fees and costs may change between the time when you read this PDS and the day when you sign the Application Form.

7. How managed investment schemes are taxed

Investing in a managed investment scheme is likely to have tax consequences and you are strongly advised to seek professional tax advice.

In general, managed investment schemes do not pay tax on behalf of investors. Net income and realised net capital gains generated by a managed investment scheme are typically fully distributed to investors and investors are in turn assessed for tax on their share of the distribution based on their individual circumstances.

Tax may also be payable on withdrawals.

8. How to apply

To start your investment simply complete an Application Form for the Fund and return it to us together with the other documents requested and your initial investment. Application Forms are included in the Application Booklet available at www.tyndall.com.au/pds or on request from Tyndall Investor Services.

Please ensure you read this PDS together with the 'Additional Information to the Product Disclosure Statement' available at www.tyndall.com.au/pds before submitting your application.

Information about how to complete the Application Form, payment options and other information about making an application is included in the Application Booklet.

Please note, as part of the application process we are required by law to verify your identity before accepting your application. Please refer to the Anti-Money Laundering and Counter Terrorism Financing Act information included in the Application Booklet for further information and complete the applicable Customer Identification Form.

We are unable to process incomplete applications. If we do not receive all of the information and documents required we will hold your investment amount in an interest bearing account until all the information is received. Any interest earned on the account will be retained by us.

Investments on the basis of this PDS are only available to persons receiving the PDS (electronically or otherwise) within Australia. If you have received the PDS electronically you may request a paper copy from Tyndall Investor Services.

Investing through a wrap account or master trust

If you are investing through a wrap account or master trust you are not required to complete the Application Form for the Fund. Instead you should complete the relevant forms and/or follow the instructions provided to you by the operator or custodian of the wrap account or master trust.

Cooling-off period

You have 14 days from either the date you receive confirmation of your investment or the end of the fifth business day after we issue units to you (whichever is earlier) to determine if your investment meets your needs. This is called the 'cooling-off' period. During this period you may notify us in writing that you wish to cancel your investment in the Fund.

The amount paid to you if you cancel your investment will be the amount you invested adjusted (up or down) for any movement in the market value of your investment up until the date of cancellation and less the allowance for transaction costs included in the purchase and redemption prices. Any fees and costs charged, except for those included in the Fund's unit prices, will be refunded.

Please note, the cooling-off period does not apply if you are a wholesale client, as defined in the Corporations Act, or invest in the Fund indirectly via a wrap account or master trust.

Complaints resolution

We aim to resolve any concerns or complaints quickly and fairly. If you have a concern or a complaint please call Tyndall Investor Services on 1800 251 589 or write to us at:

Tyndall Investor Services
GPO Box 804
Melbourne VIC 3001

If your issue is not resolved within 45 days, you may refer your complaint to the Financial Ombudsman Service (FOS). Contact details for the FOS are:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001

Phone: 1300 780 808

Fax: (03) 9613 6399

Email: info@fos.org.au

Web: www.fos.org.au

If you are investing through a wrap account or master trust, any enquiries or complaints should be directed to the operator or custodian of the wrap account or master trust.

9. Other information

Keeping track of your investment

To help you keep track of your investment you will receive the following information:

- confirmation of your investments and withdrawals, usually within five business days of receipt of your request
- a distribution statement, following each distribution
- a tax statement and tax guide following the end of each financial year. These will assist you in preparing your annual income tax return
- access to up-to-date information about the Fund and the Fund's Annual Report, including the Fund's financial statements, at www.tyndall.com.au
- online access to up-to-date information about your investment

Please note, if you are investing through a wrap account or master trust you will receive reports about your investment from the operator or custodian of the wrap account or master trust.

Fund's Constitution

The Fund is governed by a Constitution. Together with the Corporations Act, the Constitution sets out the rules and procedures under which the Fund operates and our rights, responsibilities and duties as responsible entity, as well as those of investors. A copy of the Fund's Constitution can be inspected or provided free of charge upon request.

Business day definition

References to business day throughout this PDS mean a day, other than a Saturday or Sunday, on which banks are open for business in Sydney, New South Wales.

Additional disclosure

The Fund is subject to regular reporting and continuous disclosure obligations under the Corporations Act.

All continuous disclosure notices are available on our website at www.tyndall.com.au. Copies of the following documents can also be obtained free of charge from us, upon request:

- the Fund's most recently lodged Annual Report
- any Half-Year Report lodged with ASIC after the lodgement of the latest Annual Report and before the date of this PDS
- a copy of our Unit Pricing Policy.

Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) may be obtained from, or inspected at, an ASIC office.