



VanEck Investments Limited  
ABN 22 146 596 116, AFSL 416755  
Level 47, Suite 2, 25 Martin Place  
Sydney NSW 2000  
[www.vaneck.com.au](http://www.vaneck.com.au)

30 January 2025

### **IMPORTANT INFORMATION UPDATE TO REGISTRAR INFORMATION**

Link Market Services Limited, as the Registrar for the Fund named in the below Product Disclosure Statement (PDS), changed its name to MUFG Corporate Markets (AU) Limited, effective 20 January 2025. Each reference to “Link Market Services Limited” in the PDS is replaced with “MUFG Corporate Markets (AU) Limited”.

VanEck considers the change is not adverse and is in investors’ best interests.

Please read the Product Disclosure Statement for more information regarding the Registrar.

#### **Updated Registrar Information**

MUFG Corporate Markets (AU) Limited

Locked Bag A14

Sydney South, NSW, 1235

Telephone: 1300 68 38 37

Email: [vaneck@cm.mpms.mufg.com](mailto:vaneck@cm.mpms.mufg.com)

Website: <https://www.mpms.mufg.com/en/for-individuals/>

It is important for investors to register with MUFG Corporate Markets as correspondence from VanEck regarding your investments in our funds including statements (such as tax, dividends, periodic and exit) are given here. In addition to reducing the carbon footprint associated with paper-based correspondence, we hope this is more convenient for our investors. Investors can register with the MUFG Investor Centre via: <https://au.investorcentre.mpms.mufg.com/>

#### **For more information:**

- Call 1300 68 38 37
- Go to [vaneck.com.au](http://vaneck.com.au)

**IMPORTANT NOTICE:** Issued by VanEck Investments Limited ABN 22 146 596 116 AFSL 416755 (‘VanEck’). VanEck is the responsible entity and product issuer of a range of VanEck exchange traded funds (‘Funds’). This information contains general information only about financial products and is not personal advice. It does not take into account any person’s individual objectives, financial situation or needs. Before making an investment decision in relation to a VanEck Fund, you should read the relevant Product Disclosure Statement and the relevant Target Market Determination which are available at [www.vaneck.com.au](http://www.vaneck.com.au) or by calling 1300 68 38 37 and with the assistance of a financial adviser consider if it is appropriate for your circumstances. No member of the VanEck group of companies gives any guarantee or assurance as to the repayment of capital, the performance, or any particular rate of return of any VanEck Fund. Past performance is not a reliable indicator of future performance.



Access the opportunities.

# VanEck Australian Long Short Complex ETF

## Product Disclosure Statement

ASX code: ALFA

ARSN: 681 603 314

Issued by VanEck Investments Limited  
ABN 22 146 596 116 AFSL No 416755

Issue date: 23 December 2024

# Corporate directory

**Responsible Entity**

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**Registrar**

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# 1 Important information to read first

## 1.1 This product disclosure statement

This product disclosure statement dated 23 December 2024 ('PDS') is issued by VanEck Investments Limited ABN 22 146 596 116 AFSL No 416755 as Responsible Entity of the VanEck fund named on the front cover and throughout this PDS ('the Fund').

References in this PDS to 'VanEck', 'us', 'we', 'our' or 'Responsible Entity' are a reference to VanEck Investments Limited in its capacity as Responsible Entity of the Fund, unless the context requires otherwise. Capitalised terms (Like This) in this PDS are defined in the 'Glossary of terms' in section 15.

The Fund is a registered managed investment scheme regulated by the Australian Securities and Investments Commission ('ASIC'). A class of units in the Fund ('ETF Units') is expected to be admitted to quotation and trading status on the Australian Securities Exchange ('ASX') under the AQUA Rules as an Exchange Traded Fund ('ETF').

ETF Units may also be traded on the licensed financial market operated by Cboe Australia Pty Ltd. For ease, all references in this PDS are only to ASX.

A copy of this PDS will be lodged with ASIC and with the Registrar of Financial Service Providers, New Zealand ('RFSPNZ'). Neither ASIC, ASX nor RFSPNZ take any responsibility for the contents of this PDS or any updated information.

We have applied to ASX for ETF Units to be admitted to trading status on ASX under the AQUA Rules as an ETF. As at the date of this PDS, ETF Units are yet to be quoted. No applications for ETF Units will be accepted until the PDS exposure period has expired and ASX has approved the ETF Units for admission to quotation and trading status by ASX. The exposure period expires seven days after the date of this PDS, when it was lodged with ASIC, subject to the possible extension by ASIC for a further seven days. New Zealand investors should, in addition to reading this PDS, refer to the mutual recognition of securities offerings - warning statements which is accessible at our website [www.vaneck.com.au](http://www.vaneck.com.au).

A paper copy or an electronic copy of this PDS and any updated information will be provided or made available free of charge on request by contacting us at 1300 68 38 37.

## 1.2 The offer is to Authorised Participants

The offer of ETF Units in this PDS is only for Authorised Participants ('APs'). Only APs may acquire ETF Units directly from VanEck. The process for APs to acquire ETF Units is set out in section 11.

## 1.3 ASX Investors

All investors may trade ETF Units on ASX ('ASX Investors'), in the same way they trade shares in a listed company, without submitting an application under this PDS. ASX Investors may use this PDS for

information purposes only but are bound by its terms.

## 1.4 Foreign Investors

The offer in this PDS does not constitute an offer in any other jurisdiction.

Professional and institutional Foreign Investors may act as APs subject to relevant laws and regulations but may be subject to restrictions on redemptions. Other Foreign Investors may trade ETF Units on ASX as other ASX Investors do.

ETF Units are not intended to be sold to United States persons as defined under Regulation S of the United States federal securities laws.

## 1.5 Classes of ETF Units

As at the date of this PDS, the ETF Units offered is the only class of ETF Units in the Fund. Under the Constitution, VanEck is permitted to establish further classes of units, including further classes of ETF Units.

## 1.6 Up to date information

All information in this PDS is current as at the date of this PDS. Information and terms in this PDS will change from time to time. We may provide notices of any updates or changes to information that are not materially adverse to investors by publishing a notice on our website. Check our website [www.vaneck.com.au](http://www.vaneck.com.au) for the most up to date information before making a decision.

## 1.7 General advice warning

This PDS contains general information only about Australian financial products and is not personal financial advice. It is not a recommendation by us or any other person to invest in the Fund. The information does not take into account the individual investment objectives, financial situation or needs of any person.

Before making an investment decision, you should consider (in consultation with a licensed financial adviser) whether the decision is appropriate for your investment strategy, individual risk tolerance, financial situation, needs and objectives. You can check if an adviser is licensed by contacting ASIC on 1300 300 630 or at [www.asic.gov.au](http://www.asic.gov.au).

An investment in the Fund is subject to various risks described in section 9, including possible delays in repayment and loss of income and capital invested. None of VanEck Investments Limited, VanEck Australia Pty Ltd, Van Eck Associates Corporation or their related entities, directors or officers, gives any guarantee or assurance as to the performance of the Fund, the payment of income or the repayment of capital invested.

## 2 Introduction to the Fund and VanEck

### 2.1 VanEck Investments Limited – the Responsible Entity

VanEck Investments Limited is the Responsible Entity and AQUA product issuer of the Fund and the issuer of this PDS and the ETF Units. As such, VanEck is ultimately responsible for the management, operation and administration of the Fund.

More information about VanEck's powers and duties as Responsible Entity can be found in section 14.1.

VanEck Investments Limited is a wholly owned Australian subsidiary of New York based Van Eck Associates Corporation.

### 2.2 VanEck's exchange traded products

VanEck's exchange traded products ('ETPs') have been offered in the US since 2006 and span many asset classes including equities and fixed income in both developed and emerging markets.

As at 30 November 2024 VanEck's family of ETPs totalled over \$178 billion in assets under management, making it one of the largest ETP families worldwide.

### 2.3 Founded in 1955

Van Eck Associates Corporation is a privately held global asset management firm founded in New York in 1955. The firm was among the first US money managers helping investors achieve greater diversification through global investing.

Today the firm is recognised for being a pioneer in global markets and for drawing on its experience to offer innovative solutions.

The firm's mission is to offer investors intelligently designed investment strategies that take advantage of targeted market opportunities.

With affiliated offices in key financial centres and regions including New York, Sydney, Melbourne, Amsterdam, Dublin, Frankfurt, Madrid, Singapore, Shanghai, and Zurich, the firm offers investors broad investment reach with deep experience.

As at 30 November 2024, the firm managed over \$185 billion in investor assets including its ETP business.

For more information on VanEck, visit [www.vaneck.com.au](http://www.vaneck.com.au).

### 2.4 Investment Manager

The Responsible Entity's Head of Investments & Capital Markets, Russel Chesler, Deputy Head of Investments & Capital Markets, Jamie Hannah, and Portfolio Manager, Cameron McCormack are responsible for managing and implementing the Fund's investment strategy. Mr Chesler, Mr Hannah and Mr McCormack have adequate qualifications and commercial experiences in portfolio management of exchange traded products. Mr Chesler, Mr Hannah and Mr McCormack devote a majority of their business time to implementing the investment strategy of the Fund and VanEck's other funds.

Mr Chesler is an actuary with over 30 years of experience in financial services and is responsible for managing VanEck's investment solutions. Mr Chesler also has extensive experience in asset and wealth management and protected investments. Mr Chesler has a Bachelor of Science (Honours) from the University of Witwatersrand, Johannesburg and is a Fellow of the Institute of Actuaries of Australia.

Mr Hannah has over 20 years of experience in financial services and is also responsible for managing VanEck's investment solutions. Mr Hannah has extensive experience in global financial markets, trading and portfolio management. Mr Hannah has a Bachelor of Commerce (Finance and Management Accounting) from the University of Newcastle and is an Associate of the Chartered Institute for Securities and Investment.

Mr McCormack has over 10 years of experience in financial services and is also responsible for managing VanEck's investment solutions. Mr McCormack has extensive experience in global financial markets, trading and portfolio management. Mr McCormack has a Bachelor of Commerce (Actuarial Studies and Finance) from the University of New South Wales and is an Associate of the Society of Actuaries.

Mr Chesler, Mr Hannah and Mr McCormack are employees of VanEck and their employment may be terminated in accordance with their employment contract and Australian employment law.

### 3 Summary of the Fund

Subject	Summary	For more information
Responsible Entity	VanEck Investments Limited ABN 22 146 596 116 AFSL No 416755.	Sections 2, 11
Type of investment:	An Australian registered managed investment scheme structured as a unit trust and is an open-ended fund traded on ASX.	Sections 6, 7, 8
Investment objective	The Fund aims to outperform the S&P/ASX 200 Accumulation Index (' <b>Benchmark</b> ') over the medium to long term after fees and other costs. There is no guarantee that this objective will be achieved.	Sections 6, 7, 8
Benchmark	S&P/ASX 200 Accumulation Index	Sections 6, 7, 8
Investment strategy	The Fund employs an actively managed systematic long short strategy and provides exposure to a portfolio of ASX-listed companies selected on the basis of scoring highly on proprietary quantitative screens and exhibiting the highest probability of generating alpha. Short selling is used to achieve positive returns when share prices are expected to fall. The proceeds from short selling are reinvested in the long portfolio. The Fund may also invest in cash equivalent investments.	Sections 4, 8
Benefits	<p>The Fund provides investors with:</p> <ul style="list-style-type: none"> <li>o cost effective and easy access to a long short portfolio of ASX-listed companies, via a single trade on ASX;</li> <li>o the potential for enhanced returns by investing long in equities with the highest probability of generating alpha, and expanding the opportunity set by short selling equities where the share price is expected to fall;</li> <li>o trading throughout the ASX Trading Day;</li> <li>o liquidity;</li> <li>o immediate access to the prices at which you have traded; and</li> <li>o transparency of pricing and performance.</li> </ul>	Section 6
Risks	<p>All investments carry risk. The value of your investment may fall for various reasons, which means that you may receive back less than your original investment when you withdraw or you may not receive income over a given timeframe.</p> <p>The Fund is considered to have a higher investment risk than a comparable fund that does not engage in short selling and leverage. Investors should actively monitor their investment as frequently as daily to ensure it continues to meet their investment objectives.</p> <p>Before making an investment, you should carefully consider and understand the risks that can affect the value of your investment.</p> <p>You should consult a financial adviser to help you understand investment risk and design an investment strategy that is right for your individual risk tolerance, financial situation, needs and objectives.</p>	Section 9
<b>Investing in the Fund</b>		
<b>All investors</b>		
NAV	The NAV is calculated by dividing the Fund Net Asset Value by the number of ETF Units on issue. It is calculated daily based on the closing price of the securities in the Fund's portfolio for that day.	Section 8
<b>Authorised Participants – transacting under this PDS</b>		
Transacting with VanEck by APs	Authorised Participants must enter into an agreement with VanEck and submit written applications for creations or redemptions of ETF Units.	Section 11
Price paid by APs	Authorised Participants transact with VanEck for creations or redemptions of ETF Units at the Fund's NAV calculated following the close of trading for that day, plus or minus fees and other costs.	
Cut off time for APs	2pm on each ASX Trading Day unless we agree otherwise.	

Subject	Summary	For more information				
Creations	Unless we agree otherwise, ETF Units in the Fund will be created in multiples of Creation Units by way of a cash transaction or in-kind delivery.					
Redemptions	Unless we agree otherwise, ETF Units in the Fund will be redeemed in multiples of Redemption Units by way of a cash transaction or in-kind delivery.					
APs minimum transaction size	We will agree with the AP the minimum number of ETF Units for a creation ('Creation Unit') and a redemption ('Redemption Unit').					
<b>Investing in the Fund via ASX – ASX Investors</b>						
Buying and selling ETF Units on ASX	ASX Investors may buy and sell ETF Units in the Fund on ASX through their broker just like trading shares in listed companies.	Sections 5, 6, 7, 11				
ASX prices	ASX Investors trade ETF Units at trading prices quoted on ASX throughout each ASX Trading Day. A Market Maker is engaged to facilitate the liquidity for trading in ETF Units on ASX. The presence of the Market Maker means trading prices should remain close to the NAV, adjusted for changes in the values of the underlying assets during the ASX Trading Day.					
Cooling-off	There are no cooling-off rights applicable to the offer in this PDS or to the trading of ETF Units on ASX.					
<b>Fees and other costs</b>						
<b>Ongoing annual fees and costs</b>						
Management fees and costs	<table border="0"> <tr> <td>Management Fee</td> <td>0.39% p.a.</td> </tr> <tr> <td>Indirect costs</td> <td>0.00% p.a.</td> </tr> </table> <p>Management fees may be negotiated by wholesale clients.</p>	Management Fee	0.39% p.a.	Indirect costs	0.00% p.a.	Section 10
Management Fee	0.39% p.a.					
Indirect costs	0.00% p.a.					
Performance fee	20% of the Fund's performance above the Benchmark.					
Transaction costs	Transaction costs 0.20% p.a. (an estimate)					
<b>Member activity related fees and costs – not payable if buying or selling on ASX</b>						
Contribution fee and withdrawal fee	\$500 per creation or redemption by an AP. Contribution and withdrawal fees may be negotiated.	Section 10				
True-up	A true-up will occur between the Authorised Participant and VanEck when the amount paid for a cash creation (or redemption) does not equal the cost for the Fund to buy (or sell) the relevant securities.					
<b>Dividends</b>						
Frequency	The Fund is expected to pay dividends annually.	Section 12				
Payments or reinvestment	Dividends will be paid as cash to your nominated bank account unless you elect to have the dividends reinvested under the Dividend Reinvestment Plan ('DRP'). Under the DRP, your dividends will be credited to you as additional ETF Units. Contact the Registrar to elect into the DRP.					
<b>Additional information</b>						
Website	<p>The following information is available at <a href="http://www.vaneck.com.au">www.vaneck.com.au</a>:</p> <ul style="list-style-type: none"> <li>o Fund Net Asset Value, available daily;</li> <li>o NAV;</li> <li>o iNAV (available throughout the ASX trading day);</li> <li>o Material Portfolio Information ('MPI'), (available daily);</li> <li>o the full portfolio holdings, available quarterly, with a delay of up to two months;</li> <li>o leverage ratio;</li> <li>o number of ETF Units outstanding and information about redemptions from the Fund (available monthly);</li> <li>o the current PDS, any supplementary PDS and updated information;</li> <li>o DRP Rules;</li> <li>o information about any dividends;</li> <li>o a link to announcements lodged with the ASX Market Announcements Platform;</li> </ul>					



Subject	Summary	For more information
	<ul style="list-style-type: none"> <li>o continuous disclosure notices and any other material information that has been made available or provided to Unitholders;</li> <li>o target market determination for the Fund;</li> <li>o annual reports and half-year reports, including financial statements;</li> <li>o any material change in the Fund's investment strategy or risk profile, to key service providers or in the individuals playing a key role;</li> <li>o monthly or annual investment returns over at least a five-year period or since inception;</li> <li>o the derivative counterparties engaged;</li> <li>o actual allocation to each asset type; and</li> <li>o liquidity profile of the Fund's portfolio assets; and the maturity profile of the Fund's liabilities.</li> </ul>	
Statements	<p>The following statements will be provided to investors:</p> <ul style="list-style-type: none"> <li>o a holding statement for any transactions made during the month;</li> <li>o an annual tax statement including dividend information, after 30 June of the year; and</li> <li>o an annual periodic statement showing your transactions and investments in the Fund and following your exit from the Fund.</li> </ul>	
Electronic communications	<p>To reduce our carbon footprint most types of statements will be made available in electronic form.</p> <p>When you become a Unitholder in the Fund, you will receive a welcome letter that provides instructions for you to login at the Registrar's investor centre and provide certain information.</p> <p>All statements (such as tax, dividend, periodic and exit) will be made available to you electronically via the Registrar's investor centre <a href="https://investorcentre.linkmarketservices.com.au/">https://investorcentre.linkmarketservices.com.au/</a>. If you wish to receive communication by post, please login at the investor centre or call 1300 68 38 37 to change your preferences.</p>	

## 4 Additional disclosure

The table below sets out disclosure benchmarks and disclosure principles identified by ASIC as key areas that investors should understand for complex funds before making an investment. There are references to other sections of the PDS where you can find further information. You should read the PDS in full before deciding whether to invest in the Fund.

Disclosure benchmarks			
Benchmark	Description	Disclosure	For more information
Valuation of assets	This benchmark addresses whether valuations of any non-exchange traded assets are provided by an independent administrator or an independent valuation provider.	The Fund meets this benchmark. The Fund will invest in exchange traded assets, cash or cash equivalents. The Responsible Entity has appointed State Street Australia Limited as the Fund Administrator to value the Fund's assets and NAV per ETF Unit. The valuation methods applied to value the Fund's assets are consistent with applicable industry standards and use independent sources.	Sections 7, 8.7
Periodic reporting	This benchmark addresses whether the Responsible Entity will provide periodic disclosure to investors of certain key information.	The Fund meets this benchmark. The Responsible Entity has implemented a policy to provide periodic reports on certain key information as detailed in section 8.6.	Section 8.6
Disclosure principles			
Principle	Disclosure	For more information	
Investment strategy	<p>The Fund employs an actively managed systematic long short strategy and provides exposure to a portfolio of ASX-listed companies selected on the basis of scoring highly on proprietary quantitative screens and exhibiting the highest probability of generating alpha. Short selling is used to achieve positive returns when share prices are expected to fall. The proceeds from short selling are reinvested in the long portfolio.</p> <p>The Fund may also invest in cash equivalent investments.</p> <p>The Fund primarily invests in companies that are generally from the 300 largest companies on ASX.</p> <p>Assets and liabilities of the Fund will be denominated in Australian dollars.</p> <p>As at the date of this PDS, the Responsible Entity does not intend to use derivatives in implementing the investment strategy but reserves the right to use derivatives in the future. See section 8.3. for more information.</p> <p>The Fund will use leverage as part of its primary investment strategy to implement the long strategy.</p> <p>The Fund's ability to produce investment returns will depend on a number of factors including general market conditions, interest rates, ability to borrow securities, and other risks described in section 9.</p> <p>The Fund does not have any specific diversification guidelines or limits.</p> <p>Specific risks associated with the Fund's investment strategy are explained in section 9.2, which include but are not limited to short selling risk, prime broker risk, liquidity risk, leverage risk, derivatives risk, security specific risk, concentration risk and counterparty risk.</p>	Sections 8, 9	

Disclosure principles		
Principle	Disclosure	For more information
	<p>The key aspects of the Fund's risk management strategy to manage the short selling risk includes limiting the size of short positions in the portfolio within pre-defined risk limits and diversifying the short positions to assist in limiting the impact on the Fund should the price of a shorted security increase.</p> <p>The investment strategy may be varied or amended by VanEck from time to time. Any updates or changes to information that are not materially adverse to investors by publishing a notice at <a href="http://www.vaneck.com.au">www.vaneck.com.au</a> on the Fund's page or by an announcement on ASX. Any materially adverse change will be provided by way of a replacement PDS or supplementary PDS.</p>	
Investment manager	<p>VanEck's Head of Investments &amp; Capital Markets, Russel Chesler, Deputy Head of Investments &amp; Capital Markets, Jamie Hannah and Portfolio Manager, Cameron McCormack are jointly responsible for managing and implementing the Fund's investment Strategy. Mr Chesler, Mr Hannah and Mr McCormack have adequate qualifications and commercial experiences in portfolio management of exchange traded products. Mr Chesler, Mr Hannah and Mr McCormack devote a majority of their business time to managing and executing the investment strategies of the Responsible Entity's Funds. For more information, see section 2.4.</p>	Section 2.4
Fund structure	<p>The Fund is an Australian registered managed investment scheme structured as an ETF. ETF Units of the Fund can be traded on the ASX. A diagram showing the flow of investment money through the structure of the Fund is shown in section 7.5.</p> <p>VanEck has engaged Ernst &amp; Young as the auditor of the Fund.</p> <p>State Street Australia Limited has been appointed as the Administrator of the Fund and BNP Paribas as Prime Broker and the Custodian of the assets. The Custodian provides custody services for the Fund including holding of the Fund assets. The Administrator processes creations, redemptions and maintains the books and records of the Fund, including calculating the NAV. The Prime Broker provides prime brokerage services to the Fund, including custody, settlement and lends securities and cash to the Fund.</p> <p>Link Market Services Limited has been appointed as the Registrar. The Registrar maintains Unitholder records.</p> <p>At the date of this PDS VanEck has arrangements in place with related parties from the VanEck group of companies. These include VanEck Australia Pty Ltd, for business administration, sales and marketing and support services.</p> <p>All service agreements are on arm's length terms.</p> <p>VanEck ensures that the service providers comply with the obligations under the relevant service agreement by continuously monitoring the performance of the Fund's service providers by, where appropriate, daily reports and observations, periodical reports, audits and performance review meetings. A compliance committee has also been established to monitor VanEck's compliance with the Fund's compliance plan, assess the adequacy of the compliance plan and report to the directors of VanEck and in some circumstances to ASIC.</p> <p>Fees and costs associated with investing in the Fund are described in section 10.</p> <p>The risks associated with the Fund structure are explained in section 9.</p>	Sections 7, 7.5, 9, 10, 14.3, 14.4, 14.8 to 14.11
Valuation, location and custody of assets	<p>The Fund's assets and liabilities are valued daily by calculating the Fund's Net Asset Value as explained further in section 8.7. The Administrator will be responsible for calculating the NAV.</p>	Sections 7, 8.1, 8.2, 8.7, 14.9

Disclosure principles		
Principle	Disclosure	For more information
	<p>The valuation methods applied by VanEck to value the Fund's assets and liabilities are consistent with the range of ordinary commercial practices for valuations.</p> <p>The Fund may invest in ASX-listed companies and cash equivalent investments. The Fund intends to achieve its investment strategy by primarily investing directly in companies that are generally from the 300 largest companies on ASX.</p> <p>As at the date of this PDS, the Responsible Entity does not intend to use derivatives in implementing the investment strategy but reserves the right to use derivatives in the future. See section 8.3. for more information.</p> <p>The asset allocation ranges for the total assets of the Fund are as follows:</p> <ul style="list-style-type: none"> <li>o Australian listed equities (long) 90% to 150%</li> <li>o Australian listed equities (short) 0% to 50%</li> <li>o Derivatives (exchange traded and OTC) 0% to 5%</li> <li>o Cash and cash equivalents 0% to 10%</li> </ul> <p>The Fund's assets will be held by the Custodian. See sections 7 and 14.9 for more information. All material assets of the Fund are expected to be located in Australia.</p> <p>The Fund does not have a geographical location policy as it aims to invest only in ASX-listed companies.</p>	
Liquidity	<p>The Fund intends to invest primarily in ASX-listed companies, which it expects to be able to be liquidated on a daily basis. It is intended that other assets or securities held by the Fund will also be highly liquid assets.</p> <p>In certain market conditions, the Fund may not be able to reverse a short position because the security it needs to buy may not be available for purchase in a reasonable timeframe or at all. This may cause losses to be magnified.</p> <p>A Market Maker has been appointed by the Responsible Entity to provide secondary market liquidity to Unitholders in the Fund.</p> <p>The Responsible Entity reasonably expects that the Fund's assets can be substantially realised within 10 days at a value close to the value used when calculating the Fund's most recent NAV.</p>	Section 9.2.10
Leverage	<p>The Fund will use leverage as part of its primary investment strategy to implement the long strategy.</p> <p>The Fund borrows securities and sells for cash. The Fund will utilise the cash generated from short selling to purchase additional securities, magnifying the exposure to the securities. More details on how the investment strategy works is provided in section 8.3. The target long position for the Fund is 130% but may vary between 90% and 150%, on a given day. The target short position for the Fund is 30% but may vary between 0% and 50% such that the short position offsets the long position so that the Fund targets a net exposure of 100%.</p> <p>The Fund maintains an overdraft with the Prime Broker and may borrow cash from time to time to achieve the desired long position. The value of the cash borrowing will typically have an immaterial impact on the overall operation of the Fund.</p> <p>The Fund's assets will be used as security for borrowing. A first ranking security interest over Fund assets has been granted in favour of the Prime Broker. In addition, the Prime Broker has a right to transfer ownership of a portion of the Fund's securities to itself and use these securities in its discretion, provided that the value of such securities does not exceed 100% of the Fund's liability to the Broker. The Fund will have an unsecured, contractual right to the return of equivalent securities to those transferred to the Prime Broker. In the event of insolvency while the Fund remains indebted to the Prime Broker, the Prime Broker has the right as the secured creditor to appoint receivers, to enter into possession of and sell the Fund assets. More</p>	Section 8.1, 8.2, 8.4, 8.5 14.11

Disclosure principles		
Principle	Disclosure	For more information
	<p>details on the borrowing arrangement can be found in section 14.11. The Custodian of the Fund also has a lien over Fund assets to the extent of all sums properly due and payable to the Custodian under the custody arrangement other than unpaid custody fees.</p> <p>A worked example showing the impact of leverage on investment returns and losses, assuming the maximum anticipated level of leverage is showing in section 8.5.</p>	
Derivatives	<p>As at the date of this PDS, the Responsible Entity does not intend to use derivatives to achieve its investment strategy but reserves the right to do so in the future in the circumstances described below.</p> <p>Derivatives may be used by the Fund in extraordinary circumstances to gain market exposure without investing directly in underlying securities. Derivatives may also be used if borrowing cannot achieve the desired long and/or short position. This allows VanEck to maintain the Fund's liquidity without being under-invested. These may include over-the-counter ('OTC') derivatives and futures.</p> <p>The use of exchange traded and OTC derivatives will be managed to ensure that the derivatives do not exceed 5% of the Fund Net Asset Value.</p> <p>Please see section 9.2.14 for risks associated with the use of derivatives.</p>	Section 8.3, 9.2.14
Short Selling	<p>Short selling is used to implement the Fund's short strategy. Short selling is used to generate returns when we expect that the security will underperform. Short selling is selling a security that the Fund does not own.</p> <p>The Fund borrows securities from the Prime Broker, sells on the market, with the intention of buying them back from the market at a lower price and then returning the securities to the Prime Broker. Cash received from short selling is reinvested in the long portfolio in order to enhance returns.</p> <p>Please see section 9.2.1 for risks associated with the use of short selling.</p>	Sections 8.2, 8.4, 9.2.1
Withdrawals	<p>Unitholders other than APs may sell ETF Units by trading on the ASX and will not have a right to redeem their ETF Units directly from the Fund. Redemptions can be done by arranging to transfer the ETF Units, and receive payment of the redemption proceeds, through the CHES system, typically through a stockbroker.</p> <p>ASX Investors who are not APs may redeem their ETF Units directly with the Fund in limited circumstances, including if ETF Units are suspended from trading on ASX for more than 5 consecutive ASX Trading Days. For more information, please see section 14.2.11.</p> <p>Unless we agree otherwise, ETF Units in the Fund will be redeemed in multiples of Redemption Units with redemption proceeds paid in cash. In certain circumstances redemptions may be suspended, delayed or rejected. Please see section 11 for more information.</p> <p>VanEck will notify investors of any material changes to their withdrawal rights via the ASX Market Announcement Platform.</p>	Sections 7, 11, 14.2.11

## 5 The AQUA Rules

### 5.1 The AQUA Rules

ETF Units in the Fund are admitted to trading on ASX under the AQUA Rules. The AQUA Rules are a subset of the ASX Operating Rules that provide a tailored framework for the quotation and trading status of managed fund, ETFs and other products on ASX, providing issuers with access to ASX back office clearing and settlement services.

The only products that can be admitted to trading under the AQUA Rules are those where the product has a capital value or dividends linked to liquid underlying instruments with robust and transparent pricing mechanisms.

Under the AQUA Rules, ASX generally requires the VanEck to facilitate liquidity in the ETF Units by way of the appointment of a Market Maker whose role generally is to act as a seller and buyer to match demand from purchasers and sellers of ETF Units on ASX in certain circumstances and subject to certain conditions. As a result, the Fund is expected to remain liquid.

### 5.2 VanEck has no influence or control over the value of the underlying assets

The key difference between products admitted to trading under the ASX Listing Rules and those admitted to trading under the AQUA Rules is the level of influence that the issuer has over the underlying instrument.

Under the ASX Listing Rules, a listed equity issuer typically lists securities which reflect the value of a business which they operate and control. By contrast, securities admitted to trading under the AQUA Rules typically reflect the value of some other asset which the issuer does not control, such as a parcel of listed securities of other companies, indexes, bonds, commodities, or currency.

The value of the Fund reflects the value of the underlying investments and not the value of VanEck's business.

The following table highlights the key differences between the ASX Listing Rules and the AQUA Rules. VanEck is an AQUA product issuer under the AQUA Rules.

### 5.3 Key differences between the ASX Listing Rules and the AQUA Rules – per ASX Rules Framework

ASX Listing Rules	AQUA Rules
<b>Continuous disclosure</b>	
<p>Issuers are subject to the continuous disclosure requirements under Listing Rule 3.1 and section 674 of the Corporations Act.</p>	<p>AQUA product issuers are not subject to the continuous disclosure requirements under Listing Rule 3.1 and section 674 of the Corporations Act (because the underlying instruments are) but must in relation to its quoted products, disclose via the ASX Market Announcements Platform or its website (as the case maybe):</p> <ul style="list-style-type: none"> <li>o information about the net asset value;</li> <li>o dividends and other disbursements;</li> <li>o information the non-disclosure of which may lead to the establishment of a false market in its products or would materially affect the price of its products; and</li> <li>o any other information that is required to be disclosed to ASIC under section 675 of the Corporations Act must be disclosed to ASX at the same time it is disclosed to ASIC.</li> </ul>
<b>Periodic disclosure</b>	
<p>Issuers are required to disclose their half-yearly and annual financial information or annual reports to ASX under Chapter 4 of the Listing Rules</p>	<p>AQUA product issuers are not required to disclose their half-yearly and annual financial information or annual reports to ASX. However, the responsible entity of a registered managed investment scheme is required to lodge with ASIC and disclose to ASX at the same time, the scheme's financial reports as required under Chapter 2M of the Corporations Act.</p>
<b>Corporate control</b>	
<p>Requirements in the Corporations Act and the Listing Rules in relation to matters such as takeover bids, share buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings, apply to companies and listed schemes.</p>	<p>These requirements do not apply to AQUA product issuers. Section 601FM of the Corporations Act continues to apply to the removal or change of the responsible entity. An extraordinary resolution would be required to change the responsible entity. An extraordinary resolution is a resolution supported by a majority of the total votes that may be cast by the scheme's members entitled to vote on the resolution.</p>
<b>Related party transactions</b>	
<p>Chapter 10 of the Listing Rules, which relates to transactions between an entity and persons in a position to influence the entity, specifies controls over related party transactions.</p>	<p>Chapter 10 of the Listing Rules does not apply to AQUA products. Products quoted under the AQUA Rules which are registered managed investment schemes remain subject to the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.</p>
<b>Auditor rotation obligations</b>	
<p>There are specific requirements in relation to auditor rotation under Part 2M.4 Division 5 of the Corporations Act.</p>	<p>These requirements do not apply to AQUA product issuers. Responsible entities of registered managed investment schemes will continue to be required to undertake an independent audit of their compliance with the scheme's compliance plan in accordance with section 601HG of the Corporations Act and the auditor must not be the auditor of the scheme's financial statements (but may be from the same firm).</p>
<b>Disclosure documentation</b>	
<p>Entities admitted under the Listing Rules are subject to the requirements of the Corporations Act in relation to the issue of a prospectus or PDS.</p>	<p>Products admitted to trading under the AQUA Rules will also be subject to these requirements of the Corporations Act.</p>

## 6 Benefits of the Fund

### 6.1 Long short strategy

In a single trade on ASX, the Fund gives investors access to a long short portfolio that may be difficult for individual investors to employ. For more information on the Fund's investment strategy see sections 7 and 8.

### 6.2 Experienced team

Professionally managed by VanEck's investment team which possess extensive experience in managing portfolios.

### 6.3 Liquidity

You can buy and sell ETF Units on ASX. Liquidity in the Fund is facilitated by a Market Maker. The Market Maker's role is to match buy and sell orders for ETF Units from ASX Investors.

### 6.4 Trading on ASX

As the ETF Units are quoted on ASX, you have the ability to trade the ETF Units in the Fund throughout the day, like trading shares, with immediate access to the prices at which you have traded.

The iNAV (indicative NAV) for the Fund is also available and is updated generally every 15 seconds throughout each ASX Trading Day. The iNAV enables you to see indicative changes in the NAV throughout the day and to trade the ETF Units with a much greater degree of certainty of pricing compared to the NAV which is published at the close of trading the previous day. The iNAV for the Fund is available on our website [www.vaneck.com.au](http://www.vaneck.com.au). For more information see sections 9.2.15 and 14.14.



## 7 How the Fund works

### 7.1 Registered managed investment scheme

The Fund is an Australian unit trust registered with ASIC as a 'managed investment scheme', with a class of units admitted to trading on ASX as an ETF. The Fund operates like most other managed investment schemes:

- o the Fund is constituted as a 'unit trust';
- o when you invest you acquire 'units' in the trust, you receive a beneficial interest in the assets of the Fund but not an entitlement or interest in any particular part of that Fund or any asset;
- o your money is pooled together in the Fund with other investors' money to buy investments which are managed by the Responsible Entity, who has fiduciary obligations to act in the best interests of all investors; and
- o management and operation of the Fund is overseen by the Responsible Entity under fiduciary obligations to act in the best interests of all investors.

### 7.2 Primary and secondary markets

Large numbers of ETF Units are first issued by VanEck in the 'primary market' to APs in exchange for a specified basket of securities, or cash with which we buy the securities determined in accordance with the Fund's investment strategy. This is known as a 'creation'.

Once the ETF Units have been acquired by the AP, the AP makes them available for purchase on ASX by ASX Investors. This is referred to as the 'secondary market'.

ASX Investors can buy and sell ETF Units on ASX throughout the ASX Trading Day, trading with an Authorised Participant, the Market Maker or other ASX Investors.

The presence of a Market Maker means trading prices should remain close to the NAV, adjusted for changes in value of the underlying assets during the ASX Trading Day. The Market Maker charges a spread which means ASX Investors cannot trade precisely at NAV.

The Fund will not disclose every underlying asset on a daily basis. Disclosing the ongoing investment strategy of the Fund would create an unacceptable risk to the Fund and the investors. The Fund will disclose a proxy basket representing Material Portfolio Information (MPI) that will enable the market maker to determine the price at which it buys and sells ETF Units on ASX. The proxy basket is intended to represent the value of the Fund during the Trading Day.

APs can redeem ETF Units directly with the Fund.

APs and Market Makers retain for their own account any trading profits and bear any losses generated by their activities.

### 7.3 Rights of a Unitholder

Whether you invest in the Fund as an AP or as an ASX Investor you hold ETF Units and have the rights of a Unitholder, as set out in the Constitution. For more information on your rights as a Unitholder see section 14.2.

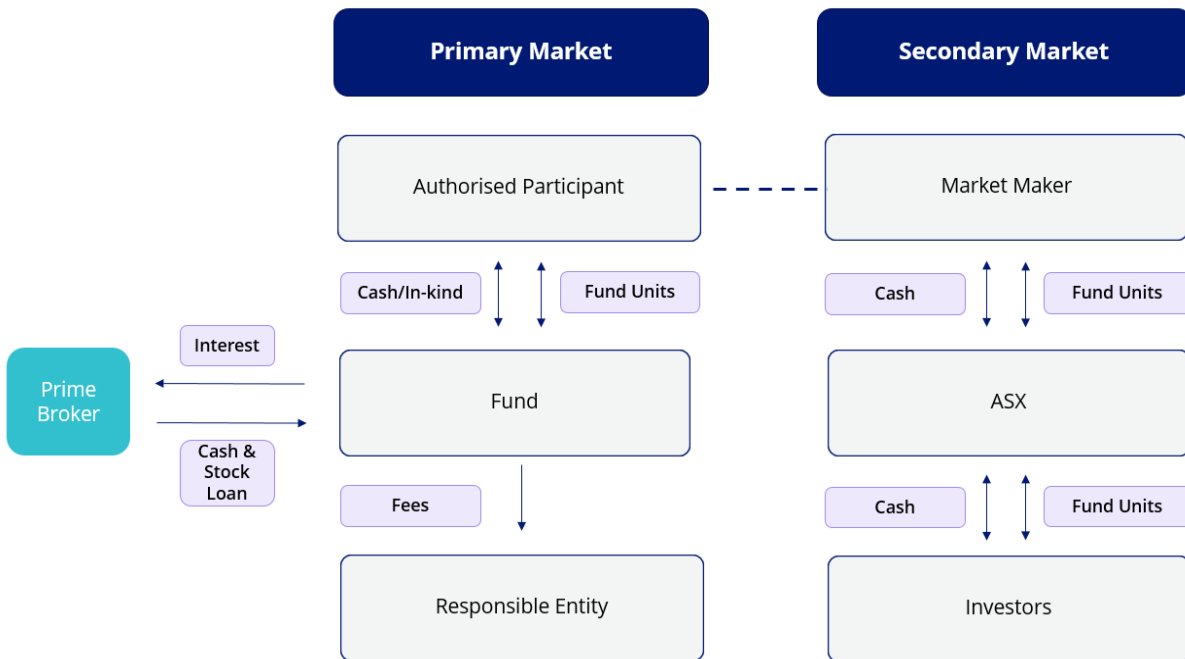
### 7.4 Roles and responsibilities

The key roles involved in the operation of the Fund are set out in the table below. VanEck may change the parties performing the roles named below at any time in its discretion, with the exception of the Responsible Entity which can only be changed in accordance with the Corporations Act.

Role	Responsibility
Responsible Entity	Issues the ETF Units and this PDS and is responsible for operating the Fund.
Custodian	Holds the assets of the Fund for safe-keeping on behalf of the Responsible Entity and Unitholders. The Fund's assets are segregated from the Custodian's assets and any other assets.
Fund Administrator	Processes creations, redemptions and other requests from Unitholders and maintains the books and records of the Fund, including calculating the NAV.
Prime Broker	Provides prime brokerage services to the Fund, including custody, settlement, securities borrowing and cash facilities.
Registrar	Maintains the register of Unitholders of the Fund which includes names, quantity of securities held, tax file numbers and DRP details. The Registrar also issues correspondence to Unitholders on behalf of the Responsible Entity.
Authorised Participants	Transact directly with the Responsible Entity to create or redeem ETF Units in the Fund enabling them to offer to buy from and sell to ASX Investors. In some cases an AP will also act as a Market Maker.
Market Maker	Subject to certain conditions, provides liquidity and volume in the Fund on ASX by acting as a seller and a buyer of ETF Units to and from ASX Investors throughout the ASX Trading Day, typically having acquired the ETF Units as an Authorised Participant.
Proxy voting agent	Provides voting recommendations and vote execution based on specified guidelines in the best interests of preserving shareholder value including environmental, social and governance considerations.

**7.5 Fund structure**

The following diagram shows the structure of the Fund and how funds flow through the structure.



## 8 Investment objective, strategy, valuation and performance of the Fund

### 8.1 Investment objective of the Fund

The Fund aims to outperform the S&P/ASX 200 Accumulation Index ('**Benchmark**') over the medium to long term after fees and other costs. There is no guarantee that this objective will be achieved.

### 8.2 Investment strategy of the Fund

The Fund employs an actively managed systematic long short strategy and provides exposure to a portfolio of ASX-listed companies selected on the basis of scoring highly on proprietary quantitative screens and exhibiting the highest probability of generating alpha. Short selling is used to achieve positive returns when share prices are expected to fall. The proceeds from short selling are reinvested in the long portfolio.

The Fund will typically consist of 15 to 50 long positions and 0 to 25 short positions.

The Fund is considered to have a higher investment risk than a comparable fund that does not engage in short selling and leverage. Investors should actively monitor their investment as frequently as daily to ensure it continues to meet their investment objectives. Please refer to section 9 for additional information of the risks of investing in the Fund.

### 8.3 Derivatives

As at the date of this PDS, the Responsible Entity does not intend to use derivatives in implementing the investment strategy but reserves the right to use derivatives in the future.

Derivatives may be used by the Fund in extraordinary circumstances to gain market exposure without investing directly in underlying securities. Derivatives may also be used if borrowing cannot achieve the desired long and/or short position. This allows VanEck to maintain the Fund's liquidity without being under-invested. These may include over-the-counter ('OTC') derivatives and futures. The use of exchange traded and OTC derivatives will be managed to ensure that the derivatives do not exceed 5% of the Fund Net Asset Value.

### 8.4 Asset classes

The Fund may invest in a range of asset types as follows:

	Min (%)	Max (%)
Net equity exposure	90	100
Gross equity exposure	90	200
Derivatives (exchange traded and OTC)	0	5

Cash and cash equivalents	0	10
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The Fund may move outside the ranges set above, for example, when a large creation is received or due to market movements. We will aim to bring the Fund within the prescribed ranges as soon as reasonably practicable.

Net equity exposure is the total long equity position minus the total short equity position.

### 8.5 Examples of how short selling and leverage works

#### Example of short selling

Short selling involves four key steps:

1. Borrowing the securities from the Prime Broker.
2. Selling those securities in the market.
3. At a later point in time, buying the same number of securities in the market.
4. Returning the securities to the Prime Broker.

The example below shows the potential gains and losses from short selling if the Investment Manager expects that the share price of Company A will drop and short sells Company A securities. The current share price of Company A is \$10. The amounts used are for illustrative purposes only and do not take into account costs associated with borrowing or trading.

Transaction	Outcome
<b>Scenario 1: Company A share price drops from \$10 to \$7</b>	
1. The Investment Manager borrows 1,000 Company A securities from the Prime Broker	The Fund has 1,000 Company A securities to sell
2. The Fund sells 1,000 Company A securities at \$10 per security	<b>Sale price</b> 1,000 x \$10 = \$10,000 The Fund receives \$10,000 from the sale of 1,000 Company A securities
3. Company A share price drops as expected from \$10 to \$7. The Fund purchases 1,000 securities at \$7 per security	<b>Purchase price</b> 1,000 x \$7 = \$7,000 The Fund pays \$7,000 to purchase 1,000 Company A securities
4. Return the 1,000 securities back to the Prime Broker	

<b>Profit from short selling</b>	<b>Sale price – Purchase price</b> \$10,000 - \$7,000 = \$3,000
<b>Scenario 2: Company A share price increases from \$10 to \$13</b>	
1. The Investment Manager borrows 1,000 Company A securities from the Prime Broker	The Fund has 1,000 Company A securities to sell
2. The Fund sells 1,000 Company A securities at \$10 per security	<b>Sale price</b> 1,000 x \$10 = \$10,000 The Fund receives \$10,000 from the sale of 1,000 Company A securities
3. Company A share price increases from \$10 to \$13. The Fund purchases 1,000 securities at \$13 per security	<b>Purchase price</b> 1,000 x \$13 = \$13,000 The Fund pays \$13,000 to purchase 1,000 Company A securities
4. Return the 1,000 securities back to the Prime Broker	
<b>Loss from short selling</b>	<b>Sale price – Purchase price</b> \$10,000 - \$13,000 = -\$3,000

#### Example of how leverage works

The example below shows how leverage affects the value of an investment. The amounts used are for illustrative purposes only and does not take into account costs associated with borrowing or trading.

Total value of assets bought (and/or short sold):  
\$15,000 long, \$5,000 short = \$10,000 net investment value.

Therefore gross leverage: exposure of \$20,000 / investment value of (\$15,000 - \$5,000) = 200%

A 10% adverse movement in assets bought combined with a 10% adverse movement in assets sold short would result in a loss of: 10% x \$15,000 + 10% x \$5,000 = \$2,000.

In the above example, a 10% adverse movement on the underlying assets causes a 20% loss on the net investment value because of the 200% leverage.

#### 8.6 Performance and other information

Performance information up to the most recent month end, is available at [www.vaneck.com.au](http://www.vaneck.com.au).

Neither the return of capital invested nor the performance of the Fund is guaranteed. Past performance is not an indicator of current or future returns, which may be higher or lower.

The following information will be available to investors on a daily basis on [www.vaneck.com.au](http://www.vaneck.com.au) at the fund page:

- o the net asset value of the Fund and Net Asset Value per ETF Unit (upon which the Issue Price and Withdrawal Amount is based);
- o the iNAV;
- o the proxy basket of securities (MPI) as a proxy for the portfolio holdings at the start of each Trading Day. The tracking performance between the disclosed MPI and the full portfolio will be disclosed on a quarterly basis; and
- o the leverage ratio.

The following information will be available to investors at least monthly on [www.vaneck.com.au](http://www.vaneck.com.au) at the fund page:

- o any material change in the Fund's investment strategy;
- o any material change in the Fund's risk profile;
- o any change to key service providers;
- o any change in the individuals playing a key role in investment decisions for the fund;
- o the net return on the fund's assets after fees, costs and taxes; and
- o monthly or annual investment returns over at least a five-year period or since inception (where the Fund has been operating for less than five years).

The following further information will be available to investors on an annual basis on [www.vaneck.com.au](http://www.vaneck.com.au) at the fund page:

- o the derivative counterparties engaged;
- o the actual allocation to each asset type;
- o the liquidity profile of the Fund's portfolio assets; and
- o the maturity profile of the Fund's liabilities.

#### 8.7 Valuations and pricing

The NAV of the Fund is calculated by dividing the Fund Net Asset Value by the number of ETF Units on issue at the time of the valuation.

The Fund's Net Asset Value is calculated by subtracting the total value of all the liabilities and provisions of the Fund from the total value of all the assets of the respective Fund.

The NAV of the Fund is calculated daily based on the closing prices of the securities in the Fund's portfolio for that day.

The valuation methods applied by VanEck to value the Fund's assets and liabilities are consistent with the range of ordinary commercial practices for valuations.

#### 8.8 Borrowing

The Fund Borrows securities from the Prime Broker in order to implement the short strategy. A cash facility is also made available by the Prime Broker by way of overdrafts in the Fund's cash account maintained by the Prime Broker.

VanEck has granted the Prime Broker a first ranking security interest in the nature of a charge over the Fund's assets. In addition, the Prime Broker has a right to transfer ownership of a portion of the Fund's securities to itself and use these securities in its

discretion, provided that the value of such securities does not exceed 100% of the Fund's liability to the Broker. The Fund will have an unsecured, contractual right to the return of equivalent securities to those transferred to the Prime Broker.

Please see sections 9.2.2 and 9.2.4 for leverage and prime broker risks and section 14.11 for more information on the borrowing arrangement.

### **8.9 Changes to the Fund's investment objective or strategy**

We may from time to time vary the Fund's investment objective or strategy. We will notify Unitholders of any such changes. We provide notices of any updates or changes to information that are not materially adverse to investors by publishing a notice at [www.vaneck.com.au](http://www.vaneck.com.au) on the Fund's page or by an announcement on ASX.

### **8.10 Environmental, social and ethical considerations**

The Fund's investment strategy will not take into account labour standards or environmental, social or ethical considerations when selecting securities. Accordingly the Fund does not take such matters into consideration when acquiring or realising investments.

The Fund is not designed for investors who wish to screen out particular types of companies or investments or are looking for a fund that meets specific environmental, social (which includes labour standards) and governance goals.

### **8.11 Voting**

We intend to exercise all voting rights in accordance with the best interests of Unitholders, without influence by real or apparent conflicts of interest. To assist in the voting process, we have engaged a third party voting specialist to act as our proxy.

The proxy services include conducting in-depth company research including ESG considerations, providing voting recommendations and vote execution, based on specified guidelines in the best interests of preserving shareholder value.

### **8.12 Securities lending**

The Fund will not engage in securities lending as its investment strategy. However, as security for the lending, the Prime Broker has a right to transfer ownership of a portion of the Fund's securities to itself and use these securities in its discretion and for its own benefit, including lending and selling those assets to third parties. For more information on the Prime Broker arrangement please see section 14.11.

## 9 Risks

### 9.1 What is risk?

All investments have some level of risk. Different investment strategies have different levels of risk depending on the underlying mix of assets that make up the strategy. Usually assets with the potential for the highest long-term returns carry the highest level of short-term risk. These investments are generally described as more 'volatile' and have a higher risk of losing money, but they can also give you a better chance of achieving your long-term objectives. Investments that produce more stable returns are considered less volatile and therefore less risky, but they may not provide sufficient long-term returns for you to achieve your long-term goals.

The level of risk you are willing to accept will depend on a range of factors including:

- your investment goals;
- your age;
- your investment time frame;
- where other parts of your wealth are invested; and
- your overall risk tolerance.

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 vary;
- investment returns will vary and future returns may differ from past returns;
- returns are not guaranteed and you may lose money; and
- laws affecting managed investment schemes may change, impacting your investment.

You should consult a financial adviser to help you understand investment risk and design an investment strategy that is right for your individual risk tolerance, financial situation, needs and objectives.

### 9.2 Risks associated with the Fund

The significant risks that can affect the performance of the Fund is typical of the risks of a managed fund whose portfolio consists primarily of companies listed on ASX and employs a long and short strategy. The Fund is considered to have a higher investment risk than a comparable fund that does not engage in short selling.

Investors should actively monitor their investment as frequently as daily to ensure it continues to meet their investment objectives.

#### 9.2.1 Short selling risk

Short selling means the Fund will borrow securities from the Prime Broker with the intention of buying them back from the market and returning them to the Prime Broker at a price that is lower than the sale price. Short selling has the risk of leveraging the Fund and can greatly increase the risk of loss, as losses on a short position are not limited to the purchased

value of the security as the potential losses are theoretically unlimited in the case of a rising security price, unlike a long position which is generally limited to the amount invested.

To help mitigate the risk associated with a short position, the Fund will employ risk management strategies.

The successful implementation of the strategy depends upon the Responsible Entity's skill, experience and execution.

#### 9.2.2 Leverage risk

Short selling and using the proceeds to buy other securities is a form of leverage, effectively increasing the Fund's market exposure. This generally carries the associated risk of heightened volatility of investment gains or losses. In periods where the Fund's underlying investments experience negative returns, the Fund can significantly underperform comparable non-leveraged investments.

#### 9.2.3 Counterparty risk

This is the risk that the Fund's trading counterparties become insolvent or cannot otherwise meet their obligations to the Fund. Counterparties to the Fund include service providers such as the Custodian and/or Prime Broker and any derivatives counterparties.

#### 9.2.4 Prime Broker risk

The Fund has appointed BNP Paribas as its Prime Broker and Custodian.

If the Prime Broker asks for the return of the borrowed securities, the short position will be closed out as soon as practicable, as current market conditions permit (which may involve transacting over multiple trading sessions). If this occurs, there is the risk that the Fund may have to buy securities at an unfavourable price to meet its obligations, or the Fund could continue to pay borrowing costs associated with the borrowed securities to the Prime Broker until the securities can be bought back from the market and returned to the Prime Broker.

As security for the borrowing, the Prime Broker has a security interest in the form of a charge over all Fund assets. Under the terms of the prime broker agreement ('PBA'), the Prime Broker has the right to appropriate Fund assets (not exceeding 100% of the Fund's liability to the Prime Broker) and lend, sell, pledge, hypothecate or otherwise use these assets for its own purposes and benefit, with an obligation to return equivalent assets to the Fund.

There is a risk that the Prime Broker does not return equivalent assets or value to the Fund. If the Prime Broker defaults on its obligations under the PBA, or the PBA is otherwise terminated, the Fund may not be able to effectively pursue the investment strategy until an alternative prime broker can be appointed. In the event of insolvency of the Prime Broker, the Fund will rank as an unsecured creditor

of the Prime Broker and may not be able to recover such assets in full or at all.

#### **9.2.5 Market risk**

This is made up of a number of risks that affect entire financial markets and may include investor sentiment, economic impacts, regulatory conditions, industry or sector-specific events, and political and catastrophic events. In any asset class, the returns of individual securities are a combination of the market return and returns specific to each security. Growth investments such as shares generally have relatively higher market risk than bonds and cash. Investors should be aware that markets can fluctuate affecting the returns on an investment portfolio from day-to-day. This volatility may cause the value of an investment in the Fund to decrease. The use of leverage in the Fund will increase the volatility of the value of an investment in the Fund.

#### **9.2.6 Security specific risk**

The value of a company's shares which make up part of the underlying assets in the Fund can be negatively influenced by changes in and factors affecting company management, its business environment or profitability. These risks can impact the company's ability to repay its debt, its profitability and ultimately the value of its shares. By diversifying its holdings across multiple securities and market sectors, the Fund is generally insulated from the specific risks of individual securities.

#### **9.2.7 Concentration risk**

The Fund has a concentrated portfolio, so it does not provide investors the diversification benefits that are common in other ETFs. An investment in the Fund will therefore be significantly more volatile than an investment in more diversified funds. The Fund is not intended to provide a complete investment solution and should only form part of a broader diversified investment portfolio.

#### **9.2.8 Cyber security risk**

Despite security measures, fraud, data loss, business disruption or damage to the information of the Fund or to investors' personal information may result from cyber threats against or infiltration of our technology systems and networks or those of our service providers. We have procedures in place to manage this risk and monitor the controls within these procedures to ensure cyber security risk is adequately managed.

#### **9.2.9 ASX Trading risk**

Trading of the Units on ASX may be suspended by the ASX or halted by us because of market conditions or for other reasons such as a failure by the Market Maker to make a market. In these circumstances, ASX Investors will be unable to buy or sell Units and the processing of application for creations and redemptions for Authorised Participants may be suspended or modified.

Suspension from trading for more than 5 consecutive ASX Trading Days may give rise to a right for ASX Investors to redeem their Units directly

from the Fund. See section 14.2.11 for more information.

#### **9.2.10 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 a redemption request. As the underlying assets of the Fund is ASX-listed companies and a Market Maker has been appointed, to support liquidity on ASX, the Units should generally be liquid.

In certain market conditions, the Fund may not be able to reverse a short position because the security it needs to buy may not be available for purchase in a reasonable timeframe or at all. For example, securities of smaller companies may from time to time become less liquid. This may cause losses to be magnified.

#### **9.2.11 Market Maker risk**

Although the Units are admitted to trading on ASX, and a Market Maker is appointed to assist in maintaining liquidity in accordance with the AQUA Rules, there can be no assurance that a Market Maker will produce a liquid market.

The market making arrangements agreed by VanEck with a Market Maker specify certain permitted circumstances where the market making obligations may be suspended. These circumstances include operational disruptions, market disruptions and unusual conditions including those which make it impossible, impracticable or unduly onerous for the Market Maker to perform the market making function (such as a fast market), other events set out in the AQUA Rules, the suspension or rejection of applications for Units or redemption requests, or the Market Maker not having ASIC relief to allow short selling of Units.

A Market Maker's terms of appointment may limit or exclude its liability or recourse to it by VanEck or Unitholders.

#### **9.2.12 Material Portfolio Information risk**

This is the risk that the bids and offers displayed and the price at which the ETF Units trade on ASX may be materially different from the Fund's quoted NAV and iNAV. The bids, offers and trading price are dependent upon a number of factors, including demand for the ETF Units.

In particular, the Market Maker will rely upon the Material Portfolio Information which comprises a daily basket of securities selected to track the movements of the Fund as closely as possible in order to post bids and offers on market. There is a risk that the market value of this basket of securities may deviate from the market value of the Fund. For example, this deviation may arise due to circumstances in which it is difficult for the fair value of assets to be determined such as volatile market conditions or where assets are not regularly or easily traded or where the Fund holds securities that have been suspended or are not traded on a recognised exchange.

### 9.2.13 Trading price risk

As with any exchange traded Managed Fund Product, the trading price of Units on the ASX will differ from the NAV and the fair value of the securities held by the Fund, due to the bid-offer spread charged by the Market Maker.

Periods of increased market volatility or disruptions to the market making function may result in wider bid-offer spreads for Units and therefore greater differences. This risk may be higher in the period shortly after the ASX opens for trading and near the close of trading.

If the Market Maker does not fulfil its obligations, as described in section 9.2.11, the trading price will be dependent on a number of factors including investor confidence and the supply and demand for the Units.

### 9.2.14 Derivatives risk

Derivatives may be used by the Fund as described in section 8.3. Derivatives derive their value from the performance of a reference asset, for example a share, a market index, interest rate or exchange rate.

The use of derivatives may expose the Fund to significant losses as the use of derivatives involves risks that are different from and potentially greater than, the risks associated with investing directly in the underlying asset. For example, the risk of using derivatives include, but are not limited to, that of the derivative failing to move in line with the value of the underlying asset, counterparty risk and potential illiquidity which may occur if a particular derivative instrument is difficult to purchase or sell.

The risk that the Fund may not be able to close out a derivatives position is minimised by entering into such transactions with reputable counterparties or on an exchange with an active and liquid secondary market.

### 9.2.15 iNAV risk

This is the risk that the indicative unit price or 'iNAV' for the Fund may differ from the trading price of its ETF Units on ASX. This risk is dependent on a number of factors. The iNAV is calculated based on a portfolio of assets that reflects the portfolio held by the Fund at open of trading on the relevant ASX Trading Day, and varies throughout the day based on quotes and last sale prices of those assets. Changes to the portfolio, including movements of securities into or out of the portfolio during the day are not reflected in the iNAV. Consequently, the iNAV should be considered as just that, indicative only, and should not be viewed as a 'real time' update of the NAV, which is only calculated once a day.

### 9.2.16 Currency risk

This is the risk that unfavourable fluctuations in the value of the Australian dollar relative to other currencies will adversely affect the value of underlying securities in the Fund due to those underlying securities having exposures to foreign currencies. The Fund does not have any direct currency exposure, as they do not invest in foreign

currency denominated securities, however, the securities in the portfolios held by the Fund may have currency exposures due to their business operations in foreign countries.

### 9.2.17 Fund risk

This is the risk that investing via the Fund may result in reduced performance compared to investing in the underlying securities directly because of the fees and costs involved in investing in the Fund or the income or capital gains accrued in the Fund. In addition, there is a risk that the fees and costs applicable to the Fund could change, the Responsible Entity or other parties could change and the Fund could terminate.

### 9.2.18 Operational risk

The Fund is exposed to operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the Fund's service providers, counterparties or other third parties, failed or inadequate processes and technology or system failures. VanEck seeks to reduce these operational risks through controls and procedures. However, there is a risk that the controls and procedures implemented by VanEck may breakdown and adversely impact the Fund.

### 9.2.19 Force majeure

This is the risk that circumstances beyond our reasonable control may impact on the operation, administration and performance of the Fund. These events may include changes in governments or government policies, political unrest, wars, terrorism, epidemics, pandemics, natural and environment disasters.

### 9.2.20 Regulatory and tax risk

The Fund, the investments of the Fund and the tax consequences for Unitholders investing in the Fund, may be affected by tax changes or by changes to legislation or government policy both in Australia and in other countries that the securities the Fund invests in are regulated, the relevant company operates or is invested. These changes are monitored by VanEck and action is taken, where possible and appropriate, to facilitate the achievement of the Fund's investment objectives. Investors should consult their own professional independent tax advisers before making an investment decision. Further information in relation to tax is set out in section 13.

### 9.2.21 Unit settlement risk

The processes of issuing and redeeming Units associated with creations and redemptions are subject to the normal settlement procedures through CHESS. The Fund is exposed to some risk if an Authorised Participant fails to comply with its settlement obligations. This risk is partly mitigated by the fact that Authorised Participants are generally subject to ASX Rules and ASX fail fees.



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

## **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 Fund as a whole.

Taxes are set out in another part of this document.

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

## 10.1 Fees and costs summary

TYPE OF FEE OR COST	AMOUNT	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	Management Fee 0.39% p.a. Indirect Costs 0.00%p.a. (an estimate)	Management fees and costs are accrued daily in the Fund Net Asset Value and reflected in the daily NAV. The management fee is payable to us from the Fund's assets after the end of the month. The indirect costs are reflected in the value of the Fund's assets as they are incurred.
Management fees may be negotiated by wholesale clients as described in 10.3.5		
<b>Performance fees</b>		
Amounts deducted from your investment in relation to the performance of the product	Nil – see 10.3.2 below for further explanation	A performance fee is accrued daily in the Fund Net Asset Value and reflected in the daily NAV. If the criteria are met, the performance fee is payable to us from the Fund's assets after the end of the quarter.
<b>Transaction costs</b>		
The costs incurred by the scheme when buying or selling assets	0.20% p.a. (an estimate)	Transaction costs are paid from the assets of the Fund as they are incurred.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)</b>		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Establishment fee</b>		
The fee to open your investment	Nil	Not applicable
<b>Contribution fee</b>		
The fee on each amount contributed to your investment	If you are buying on ASX: Nil <hr/> If you are an Authorised Participant creating ETF Units: \$500	Payable only by Authorised Participants for the creation, at the time of the creation. The amount and timing of this fee may be negotiated.
<b>Buy-sell spread</b>		
An amount deducted from your investment representing costs incurred in transactions by the scheme	Nil	Not applicable
<b>Withdrawal fee</b>		
The fee on each amount you take out of your investment	If you are selling on ASX: Nil <hr/> If you are an Authorised Participant redeeming ETF Units: \$500	Payable only by Authorised Participants for the redemption, at the time of the redemption. The amount and timing of this fee may be negotiated.
<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

## 10.2 Example of annual fees and costs

This table gives an example of how the ongoing annual fees and costs for the Fund 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. The example assumes that the value of the investment is a constant \$50,000 throughout the year with an additional \$5,000 invested on the last day.

<b>EXAMPLE: - VanEck Australian Long Short Complex ETF BALANCE OF \$50,000 WITH A PURCHASE OF \$5,000 DURING THE YEAR</b>		
Contribution fees	If you are buying on ASX: Nil. If you are an Authorised Participant creating ETF Units: \$500	For every additional \$5,000 you put in, you will be charged nil if you are buying on ASX or \$500 if you are an Authorised Participant.
<b>PLUS</b> Management fees and costs	Management Fee 0.39% p.a. Indirect Costs 0.00% p.a.	<b>And</b> , for every \$50,000 you have in VanEck Australian Long Short Complex ETF you will be charged \$195 each year
<b>PLUS</b> Performance fees	Nil – see 10.3.2 below for further explanation	<b>And</b> , you will be charged \$0 in performance fees each year
<b>PLUS</b> Transaction Costs	0.20% p.a.	<b>And</b> , you will have deducted from your investment \$100 in transaction costs
<b>EQUALS</b> Cost of VanEck Australian Long Short Complex ETF		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: \$795 if you are an Authorised Participant and \$295 if you are not. <b>Wholesale investors and Authorised Participants can negotiate lower fees.</b>

## 10.3 Additional explanation of fees and costs

### 10.3.1 Impact of tax

Fees and costs are disclosed including goods and services tax less reduced input tax credits.

### 10.3.2 Performance fee

A performance fee of 20% (inclusive of GST and net of any GST credits) may be payable to the Responsible Entity out of the Fund assets if the Fund outperforms the Benchmark. The Benchmark is the S&P/ASX 200 Accumulation Index. The potential performance fee is calculated and accrued in the NAV each day. The fee is potentially payable quarterly subject to the Fund performing positively above a high water mark.

#### Daily calculation

The potential performance fee is calculated each day as follows:

##### Step 1 – Calculate the performance of the Fund

The performance of the Fund is the increase or decrease in the Fund Net Asset Value plus any dividends per ETF Unit for which the Fund has gone ex. The performance may be positive or negative. The daily Fund Net Asset Value calculation includes accruals for fees and other expenses so the performance measure is taking those items into account. See 8.7 for more information.

##### Step 2 – Deduct the Benchmark

The amount deducted is: the S&P/ASX 200 Accumulation Index divided by 365. The result may be a positive or negative number.

##### Step 3 – Calculate the day's performance fee

The result from step 2 is multiplied by 20%.

##### Step 4 – Aggregate with previous days

The day's calculation is added to each previous day's calculation since VanEck last became entitled to a performance fee. The total may be positive or negative.

#### Quarterly conditions

To be entitled to a performance fee at the end of each calendar quarter, two conditions must be met.

##### 1. Aggregate positive performance

The aggregate amount in Step 4 of the daily calculations above, must be a positive number.

##### 2. High water mark

The performance amount must also exceed a high water mark.

To satisfy the condition, the NAV at the end of the quarter plus any dividends per ETF Unit for which the Fund has gone ex since the high water mark was established, must exceed the high water mark.

The starting high water mark is the first NAV published for the Fund. Thereafter the high water mark is the NAV at the end of the most recent quarter for which VanEck became entitled to a performance fee.

#### Paid or carried forward

Starting with the quarter ended 31 March 2025, if both: 1) the aggregated potential performance fee at the end of the quarter is positive; and 2) the high water mark condition is met, then VanEck is entitled

to be paid the aggregated potential performance fee.

If VanEck is entitled to be paid a performance fee, then the aggregated potential performance fee is reset to zero. If VanEck is not entitled to be paid a performance fee at that point, then the aggregated potential performance fee at that point is carried forward into future aggregates.

#### **Daily NAVs**

Each day's NAV will include an accrual for the total potential performance fee, if that number is positive. Each day's NAV will also include an accrual for any performance fee that VanEck is entitled to be paid that has not yet been paid.

#### **Basis of estimation**

As the Fund is newly established, nil (0.00%) reflects VanEck's reasonable estimate at the date of this PDS, taking into account the inherent difficulty in predicting the future performance of the Fund, particularly as it does not have a performance track record as at the date of this PDS. Despite this estimate, the actual performance of the Fund may well result in a performance fee being incurred. Disclosure of updated information in regards to performance fees will be provided at [www.vaneck.com.au/alfa](http://www.vaneck.com.au/alfa) in accordance with regulatory requirements.

#### **10.3.3 Transaction costs**

Transaction costs are costs incurred when assets are bought or sold. Examples include brokerage, commission, exchange settlement fees and transaction taxes.

Implicit costs, otherwise known as market impact costs, are not included in transaction costs.

In some instances of determining transaction costs, estimates are used based on our experience of investment markets.

Transaction costs are shown net of any amount that has been recovered. The estimated amount of such recoveries is nil.

#### **10.3.4 Indirect costs**

Indirect costs are any amounts that will reduce the Fund's returns that are paid from the Fund's assets, excluding management fee and transaction costs borne by the Fund described in section 10. Indirect costs can be implicit costs in opening and closing over-the-counter derivative transactions where the purpose of the transaction is other than hedging.

Indirect costs can also be costs embedded in entities that the Fund has invested in.

In some instances of determining indirect costs, estimates are used based on our experience of investment markets or the information available from the entity that we have invested in.

#### **10.3.5 Negotiating fees and costs**

To negotiate any fee or cost that is described in this PDS as negotiable, use the contact details for VanEck Capital Markets in the 'Corporate directory' at the beginning of this PDS.

#### **10.3.6 Brokerage and similar fees**

Investors will also incur customary brokerage fees when buying and selling ETF Units on ASX. You should discuss these fees with your stockbroker prior to investing.

There can be also be fees charged if the purchase or sale of the ETF Units is arranged through a financial adviser, platform or superannuation fund.

VanEck does not pay commission to intermediaries.

#### **10.3.7 True-up**

A true-up will occur between the Authorised Participant and VanEck when the amount paid for a cash creation (or redemption) does not equal the cost for the Fund to buy (or sell) the relevant securities.

#### **10.3.8 Other costs**

Under the Fund's Constitution, it is possible for the Fund to incur other costs including reimbursing VanEck for costs that VanEck has incurred. The estimated amount of other costs that the Fund will incur is nil.

#### **10.3.9 Changes to fees and costs**

We may vary the management fees or introduce new fees without investor consent up to the maximums described in the Fund's Constitution. Under the Constitution we are entitled to charge the following relevant maximum fees:

- o Management fee: 3% p.a. of the Fund's Net Asset Value;
- o Performance fee: 20% of the Fund's daily performance above the benchmark for the Fund during the relevant performance period, subject to the performance fee not exceeding a high watermark;
- o Entry fee: 2% of the consideration payable on the application;
- o Exit fee: 2% of the redemption price payable; and
- o Application or redemption fee, known as contribution or withdrawal fees: \$10,000 per creation or redemption.

We will give 30 days' notice of any increase in such fees on our website at [www.vaneck.com.au](http://www.vaneck.com.au) and through the ASX Market Announcements Platform. Indirect costs, transaction costs and other management fees and costs will vary over time. We will update these fees and costs on our website at [www.vaneck.com.au](http://www.vaneck.com.au).

#### **10.3.10 Related party payments**

We may pay fees to related parties and associates of VanEck on arms' length commercial terms for providing services to the Fund. We may engage the services of related parties and associates at our discretion. These fees would be paid by us out of the management fee we receive from the Fund.

#### **10.3.11 Commissions and other benefits received**

We, our related parties and associates, may receive commissions and other benefits, such as research, from stockbrokers effecting trades for the Fund. These benefits may flow to the Fund or to other funds managed by us or to our related parties and

associates. Any such commissions or benefits will not be a cost to the Fund.

# 11 Transacting with VanEck

**This section provides a summary of the creation and redemption process that only applies to transactions between the Fund and Authorised Participants. These procedures do not apply to ASX Investors who trade ETF Units on ASX.**

## 11.1 Prior to transacting

Creation and redemption procedures will be agreed between VanEck and Authorised Participants from time to time and contained in a written agreement and related AP Procedures. Authorised Participants must complete an agreement with VanEck prior to transacting directly with us. Provisions in such an agreement supersede the provisions in this PDS.

Contact VanEck Capital Markets on +61 2 8038 3317 or email [capital.markets@vaneck.com.au](mailto:capital.markets@vaneck.com.au) for more information.

## 11.2 Applications by Authorised Participants

Unless we agree otherwise, applications for creations and redemptions of ETF Units may only be made by delivering a written application to us by 2pm on an ASX Trading Day. We may accept or reject applications in a different form at our discretion. We may, in our sole discretion and without giving any reason, accept or reject all or part of an application for a creation or redemption.

## 11.3 Minimum transaction sizes for APs

Applications for creations and redemptions by Authorised Participants can only be made in multiples of Creation Units or Redemption Units respectively, unless we agree otherwise. We will agree the Creation Units and Redemption Units with each AP. We may change these amounts from time to time without notice.

## 11.4 Creation and redemption prices

The prices at which Authorised Participants transact with VanEck for creations or redemptions is the NAV calculated at the next valuation time following an application, plus or minus fees and costs including a true-up. See section 10 for the applicable fees and costs.

## 11.5 Dividends included in redemption proceeds

The amount paid to an Authorised Participant on the redemption of ETF Units may at our discretion include a dividend representing the capital gains realised when the Fund transfers the basket to the AP or sells the securities to pay the redemption.

## 11.6 Delay or suspension of creations and redemptions

We may suspend the processing of creations or redemptions in certain circumstances. This will generally occur:

1. around the end of a dividend period when we are calculating and paying dividends; or
2. in circumstances, such as adverse market conditions, where we determine it is not possible to accurately calculate the NAV.

We may also suspend creations or redemptions in other circumstances.

We will notify APs of any suspension.

We may also process applications for creations in instalments over a period of time and may also suspend processing of redemptions we have already accepted, for example, where we are unable to sell underlying securities due to circumstances outside our control, such as suspended trading in the market, or where the Fund ceases to be liquid for the purposes of the Corporations Act.

In circumstances where redemptions are delayed, suspended or being paid in instalments, the NAV used for the redemption may be that which is applicable to the day the relevant instalment of the redemption is processed, rather than the time the application for redemption is received.

An application for a creation or redemption lodged but not processed before or during a period of suspension, will be taken to be lodged the day after the end of the relevant suspension period.

# 12 Dividends

## 12.1 Payment of dividends

You may earn income from the Fund paid in the form of dividends. We do not guarantee that dividends will be paid.

We will provide details in advance of any dividends to be paid by the Fund via the ASX Market Announcements Platform.

The amount of any dividend will vary between periods and in some cases, we may decide not to pay a dividend.

To reduce any capital gains tax liability for ASX Investors, the amount paid to an Authorised Participant on a redemption may at our discretion include a dividend representing the capital gains realised. This means ASX Investors will generally pay less capital gains tax than they would in a comparable unlisted managed fund.

Payments are usually made within 28 days after the end of the dividend period. Dividends will be paid as cash to your nominated bank account unless you elect to participate in the DRP.

## 12.2 Frequency of dividends

At the date of this PDS we expect to pay dividends annually.

We may pay more or fewer dividends at our discretion. We will update the expected dividend frequency for the Fund on our website [www.vaneck.com.au](http://www.vaneck.com.au).

## 12.3 Dividend Reinvestment Plan

A DRP is available. If you elect to participate in the DRP the amount of any dividends will be credited to you as additional ETF Units. Unitholders can only elect to reinvest all of the dividends for a particular dividend period. Partial reinvestment is not available.

Participation in the DRP is subject to the DRP Rules as determined by VanEck from time to time. A copy of the DRP Rules is available at [www.vaneck.com.au](http://www.vaneck.com.au) or free of charge from us or the Registrar on request.

To elect into the DRP contact the Registrar whose details are in the 'Corporate directory' at the beginning of this PDS.

# 13 Tax

## IMPORTANT NOTICE

**The Australian tax commentary in this PDS is provided for general information only. This information is necessarily general in nature and does not take into account the specific circumstances of any person who may invest in the Fund. It should not be used as the basis upon which a decision is made to invest in the Fund.**

**Investing has tax implications that can be complex, that are particular to each investor's circumstances and that change over time. All investors should consult their own professional tax advisers before making an investment decision.**

**The taxation information in this PDS is based on the income tax law in force at the date of this PDS.**

### 13.1 Taxation of Australian resident investors

You will be liable for tax on your share of the Fund's income, if any. Your share will be determined by VanEck at the end of the financial year.

The amount you will be required to include in your tax return, if any, will not be the same as the amount you will receive as dividends. If there is an amount to include in your tax return, you will be provided with a tax statement, after 30 June of that year, that will provide you with the necessary information. Also in this case, the Australian Taxation Office will prefill your MyGov account with this information.

This information will include details of any credits you are able to claim including franking credits.

You may also be liable for tax on any gains you make when you sell or redeem your ETF Units. These gains are not included on the tax statement or in the MyGov pre-filled information.

### 13.2 Quoting your TFN or ABN

Unitholders will be asked to provide their tax file number ('**TFN**') or Australian Business Number ('**ABN**') or to claim an exemption from doing so. There are strict guidelines that govern the use and storage of TFNs.

There is no obligation to provide a TFN or ABN. However, if no TFN or ABN is provided and no exemption is available, tax will be withheld from the Unitholder's dividends at the highest marginal rate and remitted to the Australian Taxation Office.

Such an amount would be credited to you when you lodge your tax return.

### 13.3 Taxation of Foreign Investors

If you are not a resident of Australia for income tax purposes, tax may be withheld from your dividends at the legislated rates and remitted to the Australian Taxation Office. You are exempt from needing to quote a TFN or ABN.

You will be required to identify to the Registrar whether you are a resident or a non-resident for income tax purposes.

### 13.4 Reporting of investors' details

Investments in the Fund are subject to information collection and reporting, for the purposes of enforcing compliance with tax laws. Information is reported to the Australian Taxation Office who may share it with foreign governments. Specifically, there is a United States law known as 'FATCA' and a related intergovernmental agreement between Australia and the United States under which information is shared with the United States. In addition, Australia participates in the OECD's Common Reporting Standard reporting network allowing information to be shared with participating countries.



## 14 Other information you need to know

### 14.1 VanEck's powers and duties as Responsible Entity

The powers and duties of the Responsible Entity are determined by the Constitution for the Fund, the Corporations Act and general trust law. The duties of VanEck in relation to the Fund under the Corporations Act include to:

- o act honestly;
- o exercise the degree of care and diligence that a reasonable person would exercise if they were in VanEck's position;
- o act in the best interests of Unitholders and, if there is a conflict between their interests and VanEck's interests, give priority to Unitholders' interests;
- o ensure that property in the Fund is clearly identified as property of the Fund and held separately from property of VanEck, property of the Custodian and property of any other fund, except as permitted by the Corporations Act;
- o ensure that the assets in the Fund are valued at regular intervals; and
- o ensure that payments out of the Fund's property are made in accordance with the Constitution and the Corporations Act.

We will work with our external service providers to:

- o manage the income of the Fund and arrange for payments to creditors of the Fund;
- o determine and arrange payment of any dividends from the Fund and administer dividend and taxation statements;
- o process and administer creation and redemption transactions for the Fund;
- o co-ordinate and manage communications with ASX in relation to the ongoing admission to trading status of the ETF Units on ASX and communicate with ASIC and other regulators as appropriate in relation to the Fund;
- o address and respond to investor and Unitholder enquiries and complaints;
- o co-ordinate Unitholder updates and reports;
- o prepare, maintain and implement policies and procedures in respect of the operation of the Fund including a compliance plan; and
- o market and promote the Fund, providing information and support as appropriate to Authorised Participants, Market Makers and intermediaries.

### 14.2 The Constitution

The terms and conditions of the Constitution are binding on each Unitholder and all persons claiming through them, as if the Unitholder or person were a party to the Constitution.

Under the Constitution, VanEck has all the powers of a natural person, corporation, trustee or Responsible Entity in respect of the operation of the Fund. The Constitution gives VanEck the right to be paid fees and expenses from the Fund and governs matters such as the rights of Unitholders, conducting

Unitholder meetings, the creation and redemption of ETF Units and ETF Unit pricing, as well as what happens when the Fund is terminated. We will provide potential investors and Unitholders with a paper copy of the Constitution on request.

Some of the more important provisions of the Constitution are outlined below:

#### 14.2.1 Beneficial interest

An ETF Unit confers a beneficial interest in the assets of the Fund to the Unitholder but not an entitlement or interest in any particular part of the Fund or any particular asset.

#### 14.2.2 Reimbursement of expenses

VanEck is indemnified and entitled to be reimbursed out of, or paid from, the assets of the Fund for all liabilities, losses and expenses incurred in relation to the proper performance of its duties as Responsible Entity of the Fund. VanEck has the power to appoint an agent, or otherwise engage a person, to do anything that it is authorised to do in connection with the Fund. For the purpose of determining whether VanEck has properly performed its duties as Responsible Entity, VanEck is not liable for any loss unless the loss is caused by our fraud, negligence or breach of trust without due care.

#### 14.2.3 Removal of VanEck as Responsible Entity

VanEck may retire as Responsible Entity of the Fund by calling a meeting of the Fund's Unitholders, to explain its reason for wanting to retire and to enable the members to vote on a resolution to choose a company to be the new responsible entity. If the meeting does not result in another company being appointed, VanEck may apply to a court to appoint a temporary responsible entity.

There is a similar process for the Unitholders to cause VanEck to be removed through a meeting called by Unitholders.

ASIC or a Unitholder may request a court to remove VanEck.

#### 14.2.4 Limitation of liability of Unitholders

The Constitution states that the Unitholder's liability is limited to the amount subscribed or agreed to be subscribed for ETF Units by the Unitholder. However, the courts are yet to determine the effectiveness of provisions of this kind.

#### 14.2.5 Meeting of Unitholders

VanEck may convene a meeting of Unitholders at any time in accordance with the Constitution and Corporations Act. Examples of circumstances where meetings may be called include to approve certain amendments to the Constitution or some circumstances where the Fund is being terminated. See section 14.2.9 for more information on the termination of the Fund.

Unitholders also have limited rights to call meetings and have the right to vote at any Unitholder meeting in accordance with the Constitution and Corporations Act. A resolution passed at a meeting of Unitholders held in accordance with the Constitution binds all Unitholders.

#### **14.2.6 Limitation of liability and indemnity of VanEck**

In general, VanEck may act in good faith on the opinion of, advice of or information obtained from, advisers and experts. VanEck is indemnified out of the assets of the Fund against any expenses, loss, costs, damages and liabilities that may be incurred in properly performing any of its duties or prosecuting or defending any action or suit in connection with the Fund, other than if it arises out of its fraud, breach of trust or negligence.

Subject always to any liability which the Corporations Act might impose on VanEck, so long as it acts without fraud, negligence or breach of trust, it is not liable in equity, contract, tort or otherwise to Unitholders for any loss suffered in any way relating to the Fund. VanEck's liability to any person in respect of the Fund is limited to our actual indemnification from the assets of the Fund for that liability.

#### **14.2.7 Borrowings**

Under the Constitution, VanEck has the power to enter into borrowing arrangements on behalf of the Fund and grant security over the assets in the Fund in favour of a lender. This may involve delivering some of the securities in the portfolio to the lender as collateral for repayment of the loan in accordance with usual commercial borrowing arrangements. The costs of any borrowing are borne by the Fund.

#### **14.2.8 Amendments to the Constitution**

VanEck may amend the Constitution from time to time, subject to the provisions of the Constitution and the Corporations Act. Generally, VanEck can only amend the Constitution where we reasonably consider that the change will not adversely affect the rights of Unitholders. Otherwise the Constitution can only be amended if approved at a meeting of Unitholders.

#### **14.2.9 Termination of the Fund**

VanEck may wind up the Fund at any time in accordance with its Constitution, the Corporations Act and general trust law. Following winding up, the net proceeds will be distributed to Unitholders.

#### **14.2.10 Compulsory redemption of ETF Units**

In certain circumstances under the Constitution, VanEck may compulsorily redeem some or all of the ETF Units issued to a Unitholder, including where we believe ETF Units are held in breach of the Constitution or an applicable law or regulation, or the holding will otherwise adversely affect the Fund in any material way. We are required under the Constitution to provide a Unitholder with 60 days' notice of a compulsory redemption of some or all of their ETF Units, except in circumstances where the Unitholder is not entitled to hold ETF Units under an

applicable law, in which case we will provide 3 days' notice.

#### **14.2.11 ASX Investor redemptions**

ASX Investors will normally sell their ETF Units on ASX and will not have a right to redeem their ETF Units directly from the Fund. However, the Constitution of the Fund provides that if ETF Units are suspended from trading on ASX for more than 5 consecutive ASX Trading Days, ASX Investors will have the right to directly redeem their ETF Units for cash unless:

- o the Fund has been terminated;
- o the Fund is not a liquid scheme (see section 14.7 for more information); or
- o VanEck has suspended the redemption of ETF Units on the basis of a determination that it is reasonable and in the best interests of Unitholders to do so.

### **14.3 Compliance plan**

VanEck has lodged a compliance plan for the Fund with ASIC, which sets out the key measures that we take to ensure that we comply with the Corporations Act and the Constitution in relation to the operation of the Fund. Each year VanEck's compliance with the compliance plan is independently audited, as required by the Corporations Act. The auditor's report is lodged with ASIC.

### **14.4 Compliance committee**

VanEck has a compliance committee which comprises at least three members, of which the majority are external members. The compliance committee monitors VanEck's compliance with the Fund's compliance plan, assesses the adequacy of the compliance plan and reports to the directors of VanEck and in some circumstances to ASIC.

### **14.5 Settlement**

All transactions by ASX Investors will be settled in accordance with the ASX Rules. Settlement generally occurs on the second ASX Trading Day after the effective trade date.

The number of days in this ASX Rule may be changed by ASX. Check with ASX before making a decision.

### **14.6 Cooling-off**

There are no cooling-off rights applicable to the offer in this PDS or to the trading of ETF Units on ASX.

### **14.7 'Liquid' for the purposes of the Corporations Act**

The redemption process for ETF Units assumes that the Fund remains 'liquid'. Under the Corporations Act, the Fund is liquid if 80% of the value of its assets comprises liquid assets. We expect that the Fund will remain liquid.

If the Fund ceases to be liquid for the purposes of the Corporations Act, the redemption process will be dealt with in accordance with the Constitution and the Corporations Act and a Unitholder may redeem only in accordance with the terms of any current withdrawal offer made by the Fund.

## 14.8 Related party contracts

At the date of this PDS VanEck has arrangements in place with related parties from the VanEck group of companies. These include VanEck Australia Pty Ltd, for business administration, sales and marketing and support services. Where related parties receive a financial benefit, those payments are made out of the management fee and are not an additional cost incurred by Unitholders. Such arrangements are entered into on arms' length commercial terms considering the requirements of VanEck's conflicts of interest policy.

## 14.9 Custodian and Fund Administrator

VanEck has appointed State Street Australia Limited ('State Street') as Administrator of the Fund and BNP Paribas as the Custodian of the assets.

State Street provides certain fund administration services, such as fund accounting and unit pricing, for the Fund. Neither State Street nor BNP Paribas have been involved in any way in the preparation of this PDS and is named only for information purposes.

VanEck may change the Custodian or the Fund Administrator without notifying Unitholders or the market.

## 14.10 Registrar

VanEck has appointed Link Market Services Limited as Registrar to maintain Unitholder records such as quantity of ETF Units held and address details. The Registrar can be contacted as follows:

Locked Bag A14  
Sydney South, NSW, 1235  
Telephone: 1300 68 38 37

Link has had no involvement in the preparation of any part of this PDS other than being named as the Registrar for the Fund. Link has not authorised or caused the issue of and expressly disclaims and takes no responsibility for any part of this PDS.

VanEck may change the Registrar without notifying the market but would notify existing Unitholders.

## 14.11 Prime Broker and borrowing arrangement

The Fund has entered into a prime broker agreement with the Prime Broker. The Prime Broker provides prime brokerage services to the Fund, including custody, settlement, securities borrowing and cash facilities.

The Fund borrows securities from the Prime Broker in order to implement the short strategy. A cash facility is also made available by the Prime Broker by way of overdrafts in the Fund's cash accounts opened and maintained by the Prime Broker. The Prime Broker has the discretion not to lend the securities. As custodian, the Prime broker will hold the Fund's assets for the benefit of the Fund and settle the Fund's investment transactions on instructions from VanEck. The Prime Broker may from time to time appoint sub-custodians.

As security for the lending, the Fund has granted the Prime Broker a first ranking security interest in the nature of a charge over the Fund's assets. As a result the Prime Broker has certain rights, including the right to take possession of, and sell, the relevant

Fund's assets in circumstances where the Fund is in default of its obligations under the prime broker agreement (e.g. material breach of the agreement, failure to maintain margin or insolvency of the Fund etc).

In addition, the Prime Broker has a right to transfer ownership of a portion of the Fund's securities to itself and use these securities in its discretion, provided that the value of such securities (referred to as collateral securities) does not exceed 100% of the Fund's liability to the Broker. The Prime Broker may deal with any such assets in its own discretion and for its own benefit (including lending and selling those assets to third parties). In such circumstances, the Fund will have an unsecured, contractual right to have equivalent assets returned back to it.

In the event of the Fund's default, the Prime Broker may call for return of securities or repayment of any cash facility and elect to terminate the prime broker agreement. The Prime Broker also has the rights of a secured creditor, including the right to appoint receivers, to enter into possession of and sell the Fund assets to satisfy all amounts that the Fund is liable to pay to the Prime Broker under the prime broker agreement. The Prime Broker also has a broad right of indemnity given to it by the Fund against liabilities, losses and expenses it may incur in performing the relevant services under the prime broker agreement.

The prime broker agreement may be terminated by either party with short-term notice in writing.

The Prime Broker has not been involved in any way in the preparation of this PDS and is named only for information purposes.

VanEck may change the prime broker without prior notice to Unitholders or the market.

Please see section 9 for risk associated with the prime brokerage and borrowing arrangements, including but not limited to prime broker risk and counterparty risk.

## 14.12 Continuous disclosure

As a disclosing entity, the Fund is subject to certain regular reporting and disclosure obligations under the Corporations Act. VanEck will comply with the continuous disclosure obligations in the Corporations Act as if the Fund is an unlisted disclosing entity. New material information will be disclosed on our website [www.vaneck.com.au](http://www.vaneck.com.au). Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. We will send a requesting Unitholder a printed or electronic copy of the above documents free of charge.

## 14.13 Annual reports

A copy of the Fund's annual financial report, the annual directors' report and the auditor's report on the annual financial report for the Fund will be made available at [www.vaneck.com.au](http://www.vaneck.com.au) as soon as practicable after these are filed with ASIC.

## 14.14 iNAV (indicative NAV)

The iNAV is an estimate only of the then current NAV of the Fund calculated based on the Fund's portfolio as at the open of trading that day and

adjusted throughout the day, using market data, based on quotes and last sale prices. At the date of this PDS we have arranged for Solactive to calculate and distribute the iNAV for the Fund to third party broker websites and other financial information service providers. The iNAV is also available on our website [www.vaneck.com.au](http://www.vaneck.com.au). We may change providers at our discretion.

The iNAV is not, and should not be relied on as being the value of a Unit or the price at which ETF Units may be applied for or redeemed, or bought or sold on ASX. The iNAV should be considered as indicative only and investors should consider other available market information when making any investment decision. Only Authorised Participants can trade based on the NAV.

The iNAV will generally update and disseminate every 15 seconds. We will take reasonable steps to ensure that the iNAV is available and updated no less than every second, however, no assurance is given that the iNAV will be published continuously, or will be up to date or free from error and neither VanEck nor any other party involved in the operation of the Fund accepts any liability to any person who relies on the iNAV. For more information on the risks of relying on the iNAV, see section 9.2.13.

#### 14.15 Interest on cash held in the Fund

In circumstances where the Fund holds cash, any interest earned on those amounts will be retained for the benefit of all Unitholders in the respective Fund. For example, the Fund may hold cash pending the purchase of securities for a cash-only application or payment of cash-only redemption proceeds.

#### 14.16 Investor identification and verification

VanEck has an identification and verification policy and procedure in place, which requires Authorised Participants to provide satisfactory proof of identity documentation pursuant to the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. This must be verified before a commercial relationship is entered into, or an application for a creation or redemption of ETF Units will not be accepted.

Failure to provide all the information requested will cause an application to be delayed or rejected. We do not accept any liability for any loss incurred as a result of a delay in accepting or processing an application or otherwise, arising from undertaking our identification and verification procedures.

#### 14.17 Complaints

VanEck has arrangements in place for handling complaints. If you have a complaint regarding the Fund, our services, staff or the management of a compliant, please contact us either by phone or in writing. Our procedures ensure that we deal with complaints as soon as possible.

We will acknowledge any complaint made in writing immediately on receipt and provide a written response within 30 days. Complaints should be directed to:

Complaints Officer  
VanEck Investments Limited

Level 47, Suite 2

25 Martin Place, Sydney NSW 2000

Telephone: (02) 8038 3300

Email: [complaints@vaneck.com.au](mailto:complaints@vaneck.com.au)

We are a member of the Australian Financial Complaints Authority ('AFCA'), which is an independent body approved by ASIC to consider complaints. If we are unable to resolve the complaint or you are dissatisfied with the outcome you can contact the AFCA to assist in resolving the complaint.

AFCA can be contacted as follows:

Online: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Phone: 1800 931 678 (free call)

Mail: GPO Box 3 Melbourne VIC 3001

#### 14.18 Privacy Notice

This Privacy Notice informs Authorised Participants and ASX Investors how your personal information may be collected, stored, used and disclosed if you invest in the Fund, and should be read together with VanEck's Privacy Policy, available on our website: [www.vaneck.com.au](http://www.vaneck.com.au).

VanEck and the Registrar may collect, hold and use your personal information in order to process applications, administer your investment, comply with relevant laws and provide you with services related to the investment and with information about other products and services offered by or through VanEck, in accordance with VanEck's Privacy Policy.

ASX Investors must provide their personal information to open a stockbroking account in order to invest. That information may be provided by your stockbroker to the Registrar and in turn provided to VanEck. If you do not provide the personal information required you will be unable to invest.

We may use your information, for example to:

- o ensure compliance with all applicable regulatory or legal requirements. This includes the requirements of ASIC, ATO, AUSTRAC, ASX and other regulatory bodies or relevant exchanges including requirements under the Corporations Act and superannuation law; or
- o ensure compliance with the Anti-Money Laundering and Counter-Terrorism Financing Act.

VanEck may be required to disclose some or all of your personal information, for certain purposes to: our service providers, related bodies corporate or other third parties for the purpose of account maintenance and administration and the production and mailing of statements, such as share registries, custodians, accountants and auditors of the Fund and certain software providers related to the operational management and settlement of the ETF Units and fraud monitoring.

We may also disclose your personal information to other external service providers (including companies conducting market research) who assist us in:

- o marketing products and services to you; and

- o improving investor service.

This is to keep you informed of VanEck products and services. If you apply for ETF Units, you agree to be contacted for these purposes.

The third parties to whom we may disclose your personal information (listed in the bullet points above) may be located overseas, including in the United States.

If you do not wish to receive marketing communications from us or our associates, including by email, please contact us at [privacy@vaneck.com.au](mailto:privacy@vaneck.com.au).

VanEck's Privacy Policy contains information about how you may complain about a breach of your privacy and how we will deal with such a complaint.

To access, update or seek correction of your personal information, please speak to your stockbroker or contact the Registrar directly on 1300 68 38 37 (toll free), or in writing addressed to:

Link Market Services Limited,  
Locked Bag A14,  
Sydney South, NSW, 1235

## 14.19 ASIC Relief

### 14.19.1 No equal treatment for withdrawals

Under ASIC Corporations (Relief to Facilitate Admission of Exchange Traded Funds) Instrument 2024/147, responsible entities of ETFs do not need to comply with the equal treatment requirement in section 601FC(1)(d) of the Corporations Act, to the extent necessary to permit only authorised participants to withdraw from the Fund. The Responsible Entity will not treat Unitholders of the same class equally to the extent that it restricts withdrawals from the Fund to Authorised Participants.

For the purposes of this relief, except in exceptional circumstances, only Authorised Participants may withdraw from the Fund, but other Unitholders may sell their ETF Units on the ASX. However, if ETF Units are suspended from trading on ASX for more than 5 consecutive ASX Trading Days, Unitholders will have a right to withdraw from the Fund and receive payment for their ETF Units in money within a reasonable time of the request unless:

- o the Fund is being wound-up;
- o the Fund is not liquid as defined in subsection 601KA(4) of the Corporations Act; or
- o the Responsible Entity suspends withdrawals in accordance with the Constitution.

### 14.19.2 No relevant interest in ETF assets

ASIC Corporations (Relief to Facilitate Admission of Exchange Traded Funds) Instrument 2024/147 has modified section 609 of the Corporations Act to ensure that the ability to lodge a redemption by an Authorised Participant does not by itself give Authorised Participants a relevant interest in the assets held by the Fund for the purposes of the takeover provisions in Chapter 6 of the Corporations Act and the substantial holder provisions in Chapter 6C.

The ASIC relief applies while the units in the Fund are able to be traded on ASX. The relief will not apply once the Authorised Participant has made a redemption application in respect of the units.

This relief will apply to the Fund which, at the date of this PDS, employ an investment strategy, the implementation of which would not be likely to lead to the scheme property of the Fund including securities in a class of securities that (a) would represent more than 10% by value of scheme property; and (b) were, or would result in the Responsible Entity having a relevant interest in, securities in a listed company, an unlisted company with more than 50 members, a listed body that is formed or incorporated in Australia or a listed scheme.

For the purposes of this relief, we confirm that the investment strategy for the Fund is to make investments that are expected to result in the value of an ETF Unit changing in proportion to the value of the Reference Index, ignoring the effect of fees and other costs.

### 14.19.3 Less disclosure in periodic statements

Under ASIC Corporations (Periodic Statement Relief for Quoted Securities) Instrument 2024/14, periodic statements are not required to disclose amounts paid in relation to a transfer of the units or the return on investment during the reporting period, if the Responsible Entity is not aware of the price at which the units were transferred, the return on investment is not able to be calculated by the Responsible Entity and the periodic statement explains why this information is not included as well as describes how it can be obtained or calculated.

The periodic statement will itemise transactions by disclosing the date of transfer and whether the Unitholder acquired or disposed of units and the number of units transferred, and will explain why prices of units for transfers and the total dollar value of transfers have not been included. The periodic statement will also include performance information of the Fund relative to the investment objective.

### 14.19.4 Ongoing disclosure relief

Under Corporations (Relief to Facilitate Admission of Exchange Traded Funds) Instrument 2024/147,, responsible entities of do not have to comply with the ongoing disclosure requirements in section 1017B of the Corporations Act if that responsible entity complies with the continuous disclosure requirements in section 675 of the Corporations Act as if the Fund were an unlisted disclosing entity. The Responsible Entity will comply with the continuous disclosure requirements of the Corporations Act as if the Fund were an unlisted disclosing entity.

## 14.20 Changes to information

Information contained in this section may change from time to time. Any updates or changes to information that are not materially adverse to investors will be published at [www.vaneck.com.au](http://www.vaneck.com.au) on the Fund page. Check our website for the most up to date information before making a decision.

# 15 Glossary of terms

The following expressions when used in this PDS have the meanings set out below. Named parties and other details may change. Check our website [www.vaneck.com.au](http://www.vaneck.com.au) for the most up to date information before making a decision.

Term	Meaning
AP Procedures	The procedures for transacting with VanEck in relation to the Fund as agreed in writing with Authorised Participants from time to time
AQUA Rules	Schedule 10A of the ASX Operating Rules and related rules and procedures, as amended, varied or waived from time to time
ASIC	The Australian Securities and Investments Commission
ASX	The Australian Securities Exchange operated by ASX Limited
ASX Investor	Unitholders who acquire ETF Units on ASX
ASX Rules	The Operating Rules, Settlement Operating Rules and any other applicable rules and procedures as amended by ASX Limited from time to time
ASX Trading Day	A day that ASX is open for trading
AUSTRAC	The Australian Transaction Reports and Analysis Centre
Authorised Participant or AP	A person who is a Trading Participant or has engaged a Trading Participant to act on its behalf to acquire and dispose of interests in the Fund, and who has entered into an agreement with the Responsible Entity to be an Authorised Participant
CHESS	The Clearing House Electronic Subregister System operated by the ASX Settlement Pty Limited, a wholly owned subsidiary of the ASX
Constitution	The trust deed registered with ASIC establishing the Fund, as varied or replaced from time to time
Corporations Act	Corporations Act 2001 (Commonwealth) as amended from time to time
Creation Unit	The minimum number of ETF Units that must be applied for in the Fund by an Authorised Participant in an application for a creation of ETF Units
Custodian	The holder of the Fund's assets, at the date of this PDS being BNP Paribas
Dividend Reinvestment Plan or DRP	The Dividend Reinvestment Plan gives investors in VanEck exchange traded funds (' <b>funds</b> ') the option to have their dividends from a fund automatically reinvested in additional units in a fund instead of receiving a cash payment
DRP Rules	The rules relating to a Unitholder's participation in the DRP, a copy of which are available at <a href="http://www.vaneck.com.au">www.vaneck.com.au</a>
ETF	Exchange Traded Fund
ETF Units	Interests in the Fund issued by the Responsible Entity pursuant to this PDS, the Fund's Constitution and the Corporations Act
Exchange Traded Fund	An open-ended managed fund, units in which are traded on ASX under the AQUA Rules, which generally tracks the value of an underlying index
Foreign Investor	A person who is not an Australian resident for income tax purposes
Fund	The Fund named on the front cover of this PDS
Fund Administrator	Performer of the Fund administration tasks, at the date of this PDS being State Street Australia Limited
Fund Net Asset Value	The total value of all of the assets of the Fund minus the total value of all of the liabilities and provisions of the Fund
Investment Manager	The persons who are responsible for managing and implementing the Fund's investment strategy, at the date of this document, being the Responsible Entity's Head of Investments & Capital Markets, Russel Chesler, Deputy Head of Investments & Capital Markets, Jamie Hannah, and Portfolio Manager, Cameron McCormack.
Market Maker	An institution appointed by VanEck to assist it in maintaining liquidity of trading of the ETF Units on ASX. A Market Maker may also be an Authorised Participant
Material Portfolio Information or MPI	A daily basket of proxy securities selected to track the movements of the underlying assets of the Fund
NAV	The Fund Net Asset Value divided by the number of ETF Units outstanding

Term	Meaning
PDS	Product disclosure statement
Prime Broker	Provides prime brokerage services to the Fund, including custody, settlement, securities borrowing and cash facilities. At the date of this PDS, this is BNP Paribas.
Redemption Unit	The minimum number of ETF Units that must be redeemed by an Authorised Participant in the event of a redemption
Registrar	Maintainer of the registry of ETF Units, at the date of this PDS being Link Market Services Limited
Responsible Entity	The licensed entity authorised by ASIC to act as the Responsible Entity of the Fund with responsibility for operating the Fund and the issuer of ETF Units and this PDS. For the life of this PDS the Responsible Entity is VanEck
Trading Participant	Has the meaning defined in the ASX Rules as amended from time to time
Unitholder	A person named as a holder of ETF Units in the Fund as recorded in the register maintained by the Registrar or a person entitled to be recorded as such
VanEck	VanEck Investments Limited in its capacity as Responsible Entity of the Fund, unless the context requires otherwise