

theta

Capital Investments
'managed funds'



Long term growth potential,
regardless of where the market is heading.





Building your own diversified investment portfolio can be both a satisfying activity and the foundation for a financially secure future.



Investments can only be made by completing an application form that accompanies the PDS (Product Disclosure Statement) available from www.thetainvestments.com.au or your financial advisor.

212.30	-0.32	[-15.32%]	21.23	-0.33	[-4.21]	+3.03	[10.85%]	833.22	+0.00
3.00	+9.73	[10.02%]	1.33	+0.33	[132.09]	+0.34	[10.93%]	8,212.30	+2.23
83.12	+2.09	[1.87%]	9.03	+0.33	33.83	+0.00	[1.93%]	3.00	+9.21
63.98	+9.32	[1.56%]	332.49	+0.33	57.92	+2.23	[3.78%]	53.12	+3.96
234.22	+0.32	[0.32%]	86.36	+0.75	23.33	-2.23	[1.32%]	63.98	+9.21
2.32	-0.21	[-3.10%]	4.81	+0.69	832.98	-2.21	[0.73%]	94.23	-0.32
24.13	+3.33	[0.32%]	132.09	+3.33				2.34	+9.73
74.75	+0.32	[2.23%]	33.83	+0.33				9.72	+2.09
89.43	+4.10	[1.93%]	57.92	+0.33				4.72	-0.22
			23.33	+0.43				836.14	+6.22
			83.33	+0.43				21.23	+9.32
			832.98	+0.34				20.34	+0.32
			73.12	+0.34				72.20	-0.21
								2,322.00	+3.12



Investing with Theta Capital Investments

Developed over many years, our trading strategy is designed to earn an income irrespective of market movement – whether it is trending up, down, sideways or during times of volatility.

If you would like to invest, please ask your financial advisor for a copy of the Product Disclosure Statement or you can download it from our website.

If you would like more information, please contact your financial advisor, or visit our website at www.thetainvestments.com.au, or email admin@thetainvestments.com.au



The company created by our clients

Some people see options markets as confusing and complex. Others recognise an opportunity to learn how they work and use that knowledge to develop trading strategies and manage and grow their own investment portfolio.

We began teaching investment systems and strategies in 2000. Over the years, many clients have become successful traders in their own right.

Others had neither the time nor the inclination to become traders themselves. However, they recognised the power of our trading strategy and its ability to generate far greater returns and so asked us to trade on their behalf.

So Theta Capital Investments (TCI) began.



Some useful terms explained

Managed funds

A managed Fund combines your investment with those of other investors to form a larger Fund which is managed by an investment manager.

Funds like this are generally structured as unit trusts so that each investor owns units in proportion to the amount they have invested. Any increase, or decrease, in the value of the Fund is reflected in the unit price. This is the structure used in the Fund.

Options, futures, derivatives and more

You are probably familiar with the concept of direct investment in shares – for most people that is buying shares in a company listed on a stock exchange. However, these represent only part of the huge volume of financial transactions that are made around the world, every day.

Options (the ability to buy or sell something at a pre determined price), derivatives, foreign exchange and many other investment alternatives, present the knowledgeable investment manager with many opportunities.



Our investment philosophy

Our investment success stems from a philosophy and strategies developed during many years trading in both steadily trending markets and periods of high volatility. Our aim is to operate a robust trading strategy that can generate profits during both steady and trending markets (bull – rising, or bear – falling), and volatile and turning markets.



The key components of our investment philosophy are:

Non Directional Trading

TCI does not try to ‘pick’ the direction a market may take, preferring to follow strategies that may generate returns despite daily or monthly market fluctuations.

During times of steady market decline, returns can be as strong as you would expect returns to be in a rising market.

Compounding Investment Returns

The compounding effect of monthly (not yearly) returns continually reinvested over even a short number of years is staggering. Our investment wheel allows you to see the effect of a consistent return rate applied to an investment over various time frames.

Investment timelines

In order to maximise the growth potential of our investment strategies and minimise the risk associated with options trading, we adopt a medium to long term time line (3 to 5 years) and recommend that our investors do the same.

Maximising the value of information

In addition to using commercially available research reports and market analysis, we use our own technical analysis to identify potentially profitable areas in specific products and markets.

A world of opportunity

The Australian market represents a very small percentage of the global financial markets. While not limiting our investments to any particular class of asset or market, we may invest in European index markets as well as leading companies on the Australian, English, German and United States stock exchanges. We may also invest in futures contracts and options on futures contracts, equities, exchange traded options, spot foreign exchange and contracts for difference. We also usually aim to retain at least 25% of each Fund’s investments in cash as available margin.

Discovering more

You’ll find more information about our investment philosophy and the way we structure our portfolios on our website, in the TCI Product Disclosure Statement or you can contact us by phone or email.

Contact TCI to ask for one of our investment wheels to see what TCI could be doing for you.

Meet your Theta Capital Investments team

On this page you'll find the TCI Directors involved with managing your investment.

TCI may add additional team members from time to time.

One of the differences between us and large corporate financial institutions is that we are available to talk to you personally. If you have any questions or comments, please do not hesitate to contact us – we would be delighted to hear from you.



Jon Cox

Jon Cox, is the founder of Theta and is a derivative market professional. Jon has had more than a decade of investment market experience in the global derivatives markets. His personal investment in the market dates back 20 years.

He has attained the appropriate professional accreditations to operate and is PS 146 compliant in Derivatives and is an authorised representative of Halifax Investment Services Ltd.

Jon teaches investors who wish to trade and invest in the global derivatives markets. He is the author of the Theta daily 'Derivative Index Trading Report' as well as professional trading workbooks.



Paul Ainsworth, BSc, MBA Exec (UNSW)

Paul Ainsworth is the Chairman of a public company and holds directorships in other finance related ventures.

He has attained the appropriate professional accreditations to operate and is PS 146 compliant in Derivatives and is an authorised representative of Halifax Investment Services Ltd.

Paul has traded his own private account for many years having achieved consistently enhanced returns through a disciplined and structured approach. It is this approach to his own funds management that brings great depth and strength to TCI.

A choice of two investment options; Capital Growth or Capital Protected



We recognise that money is not easy to come by, and that depending on your personal preferences and financial and life situation, you will have different attitudes to risk, therefore we offer two investment options.

Theta Capital Growth Fund

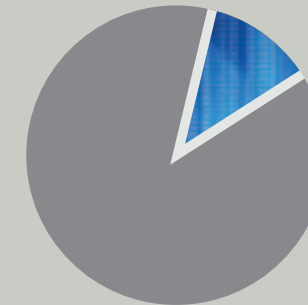
This Fund offers you increased potential for growth, but also has some risk. The minimum investment is \$10,000 and all of your investment is traded by the investment managers.



- 100% of funds traded
- Increased potential return

Theta Capital Protected Fund

This Fund offers you a lower potential for growth, but also reduces the risk. The minimum investment is \$10,000 and the term is 3 years. The majority of your initial investment is invested in rolling fixed term investments. Only a portion of your investment is traded by the investment managers.



- Minimum term of 3 years.
- Part of your investment is traded
- Lower potential for growth
- Lower Risk
- Approx 80% of your investment is placed into rolling fixed term facilities
- Approx 20% of your investment is traded by the investment managers

Fund performance

At the time of publication, both Funds had significantly out-performed both the S&P ASX 200 Index and the Australian All Ordinaries Index.

For current performance, please visit www.thetainvestments.com.au or email admin@thetainvestments.com.au

For information on the comparative performance of the S&P ASX 200 Index and the Australian All Ordinaries Index, see www.asx.com.au



Frequently asked questions

On the following pages you'll find the answers to some of the questions we're most often asked about investing in Theta Capital Funds. If you don't find the answer you're looking for here, please ask your financial advisor or contact us.

How much do I need to invest in Theta Capital Funds?

The minimum investment is \$10,000. You can add to your investment at the end of each month at any time, in any amount.

How does the Theta Capital Protected Fund protect my investment?

The majority of your investment is banked into a fixed term investment facility, managed by a custodian. The remainder is released to TCI for investment by the Fund managers.

How does the Capital Protected Fund differ from the Growth Fund?

In the Capital Growth Fund the full amount of monies invested is released for trading.

Can you tell me about the risk in investing in options and other derivatives?

All investment in these asset classes carries risk. You should seek independent financial advice, including as to whether this investment is appropriate for you.

How much will the TCI Funds make?

The best predictor of the Funds' performance is their performance to date at www.thetatrading.com/capital/performance

At the time of writing, both Funds had significantly out-performed both the S&P ASX 200 Index (an index of 200 companies listed on the Australian Stock Exchange, compiled by Standard and Poors and used as an investment benchmark) and the Australian All Ordinaries Index (all companies with ordinary listings on the Australian Stock Exchange).

For current performance, please see the separate TCI Performance sheet or visit www.thetainvestments.com.au or email admin@thetainvestments.com.au

For information on the comparative performance of the S&P ASX 200 Index and the Australian All Ordinaries Index, see www.asx.com.au

Frequently asked questions 02



Can I withdraw my money from either Fund?

Yes, investment Funds can be withdrawn at the end of each calendar quarter. The Product Disclosure Statement provides that you will receive your money within 60 days of the redemption date.

How much can I withdraw?

You can withdraw some or all of the value of your investment subject to 2 provisions:

1. If the Fund is making a loss, you will receive only your entitlement (taking into account any losses). If you have invested in the Capital Protected Fund, the provisions for the protection of your capital (see the Product Disclosure Statement) are waived if you withdraw your investment within the 3 years.
2. Under the Product Disclosure Statement, TCI has the authority to limit the amount that can be withdrawn from either Fund to a maximum of 5% per quarter of the overall Fund at any given point in time. So, if more than one person wants to redeem their investment on the same redemption date and the total equals more than 5% of the Fund, the withdrawal limits for each may be scaled down in proportion so that only 5% per quarter in total is released from the Fund.

Do I have to pay tax on my earnings each year?

You will receive a statement at the end of each financial year outlining the performance of your investment during the course of the year. You will need to obtain advice from your accountant as to the tax payable on any earnings.

What happens to the Fund earnings?

If you don't redeem them, they are automatically re-invested into the Fund.

Should I reinvest my Fund earnings?

Your investment decisions should reflect your own individual situation. However, reinvesting Fund earnings may afford you the benefits of compounding interest (earnings). You'll find more about this on our website.

Frequently asked questions 03



What markets does Theta Capital Investments trade in?

You'll see from the Prospectus we've lodged with ASIC that we can invest in a wide range of securities.

How can I tell how much my investment is worth at any point in time?

Check our website where you'll find the unit values updated monthly. The unit price is calculated by dividing the total value of the Fund by the total number of units.

How much do we charge for managing your investment?

TCI takes 20% of all new quarterly profits subject to achieving the "high water mark" each quarter. This means that if the Fund increases in value in any quarter, 20% of those profits are distributed to TCI for that quarter. If the Fund reduces in value in any quarter, no profits are distributed to TCI for that quarter.

What is the high water mark?

The high water mark is simply the level which determines profit distribution each quarter – it is the value achieved by the Fund at the end of the preceding quarter. For example, if the Fund made a profit in one quarter (and 20% is therefore paid to TCI), then a loss in the next quarter (so no profits were paid to TCI) and then a "small" profit in the 3rd quarter, TCI would receive 20% of the "small" profit achieved in the 3rd quarter.

Are there any fees payable regardless of whether a profit is made or not?

Yes, The Responsible Entity (Australian Mutual Holdings Ltd) which holds the licence to enable the Funds to operate, takes 1% pa (paid quarterly) of the total Fund value (not just the Funds being traded in the case of the Capital Protected Fund) and TCI receives the same amount as a management fee.

How do I invest?

Simply complete the Application Form at the back of the Product Disclosure Statement, choose which Fund you want to invest in, and then submit your application form along with a cheque payable to Berndale Securities Limited.

Can I invest in both funds?

Yes. Each investment must be for a minimum amount of \$10,000 and can be on the same application form if for the same investor.

When can I invest?

You can submit an application form at any time. Your investment is applied at, or close to, the beginning of the calendar month immediately following the receipt of your application form.

Can I invest in Theta Managed Funds using my Self Managed Super Fund (SMSF)?

In most cases, the trustee of your SMSF has the sole discretion to authorise an investment in Theta. However, you will need to review the terms of your SMSF deed and seek independent advice.

Set a course to reach your own investment goals.
Call Theta Capital Investments now on +61 3 8623 9298.



All of the information contained in this document should be read in conjunction with the Theta Capital Investment Product Disclosure Statement prior to considering investing in the Funds. You should also be aware that:

1. Your investment needs may be different from other persons and so you should review all of the information contained in this document and in the Product Disclosure Statement in the context of your own requirements, objectives, needs and situation.
2. The financial products referred to in this information are not suitable for everyone and so you are encouraged to seek advice from independent and trusted advisors.
3. The information is for general information purposes only and should not be considered an individual recommendation or personalised investment advice.
4. Theta Capital Investments Pty Ltd is an authorised representative of Australian Mutual Holdings Ltd (AFSL No. 295393).

IMPORTANT NOTICE:

1. This document is not an offer to issue or arrange to issue a financial product.
2. The issuer of the Theta Capital Growth Fund (ARSN 120 328 823) and of the Theta Capital Protected Fund (ARSN 115 250 443) (together called the 'securities') is Australian Mutual Holdings Limited ABN 90 115 182 137 Australian Financial Services Licence (295393).
3. The Product Disclosure Statement ('the disclosure document') for the securities is available on the Theta Capital Investments Pty Ltd ('TCI') website at <http://www.thetatradings.com/downloads/public/ProductDisclosureStatement.pdf> or can be obtained by requesting a copy by writing to TCI at PO Box 232, Albert Park, VIC 3206 Australia or by telephoning TCI on +61 3 8623 9298.
4. Any offer of the securities will be made in, or accompanied by, a copy of the disclosure document.
5. Any person considering whether to acquire, or to continue to hold, the securities should first consider the disclosure document. Anyone who wants to acquire the securities will need to complete the application form that will be contained in, or will accompany, the disclosure document.

Theta Capital Investments Pty Ltd
ACN 128 425 418

Level 9, 474 Flinders Street,
MELBOURNE VIC 3000
PO Box 232 Albert Park VIC 3206

T +61 3 8623 9298

F +61 3 8610 1634

E admin@thetainvestments.com.au

W thetainvestments.com.au



theta 
Capital Investments
'managed funds'