

# ALC Global Credit Fund

## Product Disclosure Statement

ARSN 668 390 994  
APIR ETL3247AU  
Issue Date 13 November 2023



### Contents

1. Fund at a glance	3
2. ASIC Benchmarks	5
3. ASIC disclosure principles	6
4. Who is Managing the Fund?	8
5. How the Fund invests	10
6. Managing risk	13
7. Investing and withdrawing	15
8. Keeping track of your investment	18
9. Fees and other costs	19
10. Taxation	22
11. Other important information	25
12. Glossary of important terms	28

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#### Responsible Entity

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#### Sub Investment Manager

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This Product Disclosure Statement (“PDS”) was issued on 13 November 2023. This PDS is for the offer of interests in the ALC Global Credit Fund TBC (referred throughout this PDS as the “Fund”).

The PDS has been prepared and issued by Equity Trustees Limited (ABN 46 004 031 298, Australian Financial Services Licence (“AFSL”) No. 240975) in its capacity as the responsible entity of the Fund (referred throughout this PDS as the “Responsible Entity”, “Equity Trustees”, “us” or “we”). The investment manager is AL Capital Holding Pty Ltd (referred to throughout this PDS as the “Investment Manager” or “AL Capital”).

This PDS is prepared for your general information only. It is not intended to be a recommendation by the Responsible Entity, Investment Manager, any associate, employee, agent or officer of the Responsible Entity, Investment Manager or any other person to invest in the Fund. This PDS does not take into account the investment objectives, financial situation or needs of any particular investor. You should not base your decision to invest in the Fund solely on the information in this PDS. You should consider whether the information in this PDS is appropriate for you, having regard to your objectives, financial situation and needs and you may want to seek professional financial advice before making an investment decision.

Equity Trustees, the Investment Manager and their employees, associates, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Fund. Past performance is no indication of future performance. An investment in the Fund does not represent a deposit with or a liability of Equity Trustees, the Investment Manager or any of their associates. An investment is subject to investment risk, including possible delays in repayment and loss of income or capital invested. Units in the Fund are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. You should read this PDS in its entirety because you will become bound by it if you become a direct investor in the Fund.

In considering whether to invest in the Fund, investors should consider the risk factors that could affect the financial performance of the Fund. Some of the risk factors affecting the Fund are summarised in Section 6.

This PDS does not constitute a direct or indirect offer of securities in the US or to any US Person as defined in Regulation S under the US Securities Act of 1933 as amended (“US Securities Act”). Equity Trustees may vary its position and offers may be accepted on merit at Equity Trustees’ discretion. The units in the Fund have not been, and will not be, registered under the US Securities Act unless otherwise determined by Equity Trustees and may not be offered or sold in the US to, or for, the account of any US Person (as defined) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

If you received this PDS electronically, you will need to print and read this document in its entirety. We will provide a paper copy free upon request during the life of this PDS.

Certain information in this PDS is subject to change. We may update this information. You can obtain any updated information:

- by contacting Equity Trustees on +613 8623 5000; or
- by visiting the Equity Trustees website at [www.eqt.com.au/insto](http://www.eqt.com.au/insto)

A paper copy of the updated information will be provided free of charge on request.

You may also contact Equity Trustees:

- by writing to GPO Box 2307 Melbourne VIC 3001

Unless otherwise stated, all fees quoted in the PDS are inclusive of GST, after allowing for an estimate for Reduced Input Tax Credits (“RITC”). All amounts are in Australian dollars unless otherwise specified. All references to legislation are to Australian law unless otherwise specified.

# 1. Fund at a glance

	Summary	For further information
<i>Name of the Fund</i>	ALC Global Credit Fund	Section 5
<i>APIR Code</i>	ETL3247AU	Section 5
<i>ARSN</i>	668 390 994	Section 5
<i>Investment objective</i>	The Fund seeks to generate returns in excess of the RBA Cash Rate("Benchmark") by 2.5% per annum after fees and expenses over a period of 3 – 5 years. The Fund seeks to do this by investing in fixed income securities that are expected to deliver income	Section 5
<i>Fund Benchmark</i>	RBA Cash Rate plus 2.5% per annum after fees and expenses over a period of 3 – 5 years.	Section 5
<i>Investment strategy</i>	<p>The Fund's investment strategy is to invest in a portfolio of interest rate securities that pay a fixed or floating rate of return. The Fund can invest in any interest rate securities including corporate debt, hybrid securities and structured debt securities such as residential mortgage backed securities (RMBS) and asset backed securities (ABS). Investment in these securities may have the potential to deliver higher returns over the medium term compared to cash.</p> <p>To create a balance of risk, return and, to a certain extent, liquidity in the Fund, the investment team will use the following investment criteria as part of the risk management process:</p> <ul style="list-style-type: none"> <li>• The gearing of the Fund will be limited to a net loan to valuation ratio of no more than 50% of the assets of the Fund;</li> <li>• Maximum exposure to the securities of any single issue is limited to 10% of the assets of the Fund;</li> <li>• No more than 10% of the assets of the Fund will be exposed to non-investment grade credits (i.e. below Standard &amp; Poor's BBB – or equivalent credit);</li> <li>• Maximum currency exposure is limited to 10% of the assets of the Fund;</li> <li>• No more than 50% of the assets of the Fund will be invested in structured debt securities (which include RMBS or ABS) at any one time; and</li> <li>• The Fund may invest in "fixed-rate" instruments and as such will carry a higher interest rate risk (or duration) than it would otherwise. This risk is managed (including using Derivatives) so that the average interest rate risk of the Fund is no more than two years. The Fund may use Derivatives to manage exposure to relevant markets or foreign currencies and to manage investment risk.</li> </ul>	Section 5

	Summary	For further information
<i>The type(s) of investor(s) for whom the Fund would be suitable</i>	<p>An investment in the Fund may be suitable for investors:</p> <ul style="list-style-type: none"> <li>• Seeking an investment that aims to provide consistent income stream derived from fixed income securities;</li> <li>• Seeking an investment that provides exposure to fixed income securities or a complement to an existing investment strategy that includes gaining exposure to fixed income securities;</li> <li>• That has an investment timeframe of at least three years, with a low to medium risk/return profile; and</li> <li>• Who may require ready access to capital. For more information on making a withdrawal from the Fund see section 7.</li> </ul> <p>The Fund aims to reliably distribute strong quarterly income. It offers daily investment applications and withdrawal requests. It is not recommended that the Fund be used for short-term investments. The Fund carries certain investment risks. For more information on the risks applicable to the Fund see section 7.</p> <p>The Fund's use of Derivatives and leverage may make the investment strategy of the Fund riskier than some other fixed income funds available in the Australian market.</p> <p>Potential investors should consider their tolerance for risk and their particular investment objectives and circumstances, in consultation with a professional adviser before making an investment decision. An investment in the Fund should only be considered as a component of an investor's overall portfolio.</p>	Section 5 and 7
<i>Recommended investment timeframe</i>	<p>At least 3 years.</p> <p>We recommend that you consider, with your financial adviser, the suggested investment period for the Fund in relation to your own investment timeframe.</p> <p>You should review this regularly to ensure that the Fund continues to meet your investment needs</p>	Section 5
<i>Minimum initial investment</i>	\$25,000	Section 7
<i>Minimum additional investment</i>	\$10,000	Section 7
<i>Minimum withdrawal amount</i>	\$10,000	Section 7
<i>Minimum balance</i>	\$25,000	Section 7
<i>Cut off time for applications and withdrawals</i>	2PM AEST	Section 7
<i>Valuation frequency</i>	The Fund's assets are normally valued daily.	Section 7
<i>Applications</i>	Usually accepted each Business Day.	Section 7
<i>Withdrawals</i>	Usually accepted each Business Day. Withdrawal requests are generally processed and paid within 3 Business Days although a longer period of time is permitted under the Constitution.	Section 7
<i>Income distribution</i>	Quarterly	Section 7
<i>Management fees and costs</i>	0.71% p.a. of the Net Asset Value ("NAV") (including GST less RITCs)	Section 9
<i>Entry fee/exit fee</i>	Nil	Section 9
<i>Performance fee</i>	Nil	Section 9
<i>Buy/Sell spread</i>	0.05% Buy Spread and 0.15% Sell Spread on applications into the Fund, and withdrawals out of the Fund.	Section 9

## 2. ASIC Benchmarks

The following table and the tables in Sections 1 and 3 set out a summary of the disclosure ASIC requires for hedge funds, the key features of the Fund and a guide to where more detailed information can be found in this PDS. A copy of ASIC Regulatory Guide 240 Hedge Funds- Improving Disclosure (RG 240 dated October 2022 (as may be amended, supplemented or replaced from time to time) is available from [www.asic.gov.au](http://www.asic.gov.au)

The information summarised in the relevant tables and explained in detail in the identified section reference is intended to assist investors with analysing the risks of investing in the Fund. Investors should consider this information together with the detailed explanation of various benchmarks and principles referenced throughout this PDS and the key risks of investing in the Fund highlighted in Section 6 of this PDS.

ASIC Benchmark	Is the benchmark satisfied?	Summary	For further information
<b>Benchmark 1: Valuation of assets</b>			
This benchmark addresses whether valuations of the Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.	Yes	<p>Equity Trustees has appointed an independent administrator, Apex Fund Services, to provide administration services for the Fund, including valuation services.</p> <p>The Fund satisfies Benchmark 1 by having its non-exchange traded assets independently valued by the Administrator's independent valuation services provider in accordance with its pricing policy.</p> <p>Over-the-counter ("OTC") derivatives are generally valued by reference to the counterparty settlement price which is based upon broad financial market indices.</p>	Section 5
<b>Benchmark 2: Periodic reporting</b>			
This benchmark addresses whether the Responsible Entity of the Fund will provide periodic disclosure of certain key information specified by ASIC on an annual and monthly basis.	Yes	The Responsible Entity will provide periodic disclosure of certain key information on an annual and monthly basis.	Section 8

### 3. ASIC disclosure principles

	Summary	Section (for further information)
<i>Investment strategy</i>	<p>The Fund's investment strategy is to invest in a portfolio of interest rate securities that pay a fixed or floating rate of return. The Fund can invest in any interest rate securities including corporate debt, hybrid securities and structured debt securities such as RMBS and ABS. Investment in these securities may have the potential to deliver higher returns over the medium term compared to cash.</p> <p>To create a balance of risk, return and, to a certain extent, liquidity in the Fund, the investment team will use the following investment criteria as part of the risk management process:</p> <ul style="list-style-type: none"> <li>• The gearing of the Fund will be limited to a net loan to valuation ratio of no more than 50% of the assets of the Fund;</li> <li>• Maximum exposure to the securities of any single issue is limited to 10% of the assets of the Fund;</li> <li>• No more than 10% of the assets of the Fund will be exposed to non-investment grade credits (i.e. below Standard &amp; Poor's BBB – or equivalent credit);</li> <li>• Maximum currency exposure is limited to 10% of the assets of the Fund;</li> <li>• No more than 50% of the assets of the Fund will be invested in structured debt securities (which include RMBS or ABS) at any one time; and</li> <li>• The Fund may invest in "fixed-rate" instruments and as such will carry a higher interest rate risk (or duration) than it would otherwise. This risk is managed (including using Derivatives) so that the average interest rate risk of the Fund is no more than two years.</li> </ul> <p>The Fund may use Derivatives to manage exposure to relevant markets or foreign currencies and to manage investment risk.</p>	Section 5.2
<i>Investment manager</i>	<p>Equity Trustees Limited, as Responsible Entity of the Fund, has appointed AL Capital as the Investment Manager of the Fund.</p> <p>See Section 4 in relation to the expertise of the Investment Manager and the Investment Management Agreement under which the Investment Manager has been appointed.</p> <p>Under the Investment Management Agreement (IMA) between the Investment Manager and Equity Trustees, Equity Trustees can terminate the Investment Manager's appointment where the Investment Manager becomes insolvent, materially breaches the IMA, ceases to carry on its business or in certain other circumstances. In the event that Equity Trustees terminates the Investment Manager following one of these events, the Investment Manager's appointment would cease upon any termination date specified in the notice, and the Investment Manager would be entitled to receive fees in accordance with the IMA until the effective date of termination.</p>	Section 4
<i>Fund structure</i>	<p>The Fund is an Australian unit trust registered under the Corporations Act as a managed investment scheme.</p> <p>The responsible entity of the Fund is Equity Trustees Limited. Equity Trustees Limited may appoint service providers to assist in the ongoing operation, management and administration of the Fund.</p> <p>The key service providers to the Fund are:</p> <ul style="list-style-type: none"> <li>• AL Capital Holding Pty Ltd, the investment manager of the Fund;</li> <li>• Apex Fund Services Pty Ltd, the administrator of the assets of the Fund;</li> <li>• BNP Paribas acting through its London branch, and Citigroup Pty Ltd are both the custodians of the assets of the Fund and both the prime brokers of the Fund;</li> </ul> <p>See Section 5.3 for further information on other key service providers, Equity Trustees' role in monitoring the performance of service providers and a diagram of the flow of funds through the Fund.</p>	Section 5.3

	Summary	Section (for further information)
<i>Valuation, location and custody of assets</i>	<p>Apex Fund Services is the administrator of the Fund and provides administrative, accounting, registry and transfer agency services. The Administrator is responsible for calculating the Fund's NAV.</p> <p>See section 5.10 for further information on the custodial arrangements and the geographical location of the Fund's assets.</p>	Section 5.10
<i>Liquidity</i>	<p>Withdrawal requests are usually processed daily. Some underlying investments can be illiquid. The portfolio is managed to target appropriate liquidity with withdrawals generally available in your bank account after 3 Business Days.</p>	Section 5.4
<i>Leverage</i>	<p>The Fund may use leverage through its use of borrowing, repurchase agreements, Derivatives and as a result of any short selling it undertakes for the purposes of generating alpha as part of the investment strategy.</p> <p>The Fund does not target a specific level of leverage, and does not use leverage simply to increase Fund yield. Leverage can be used to obtain additional exposure to mispriced assets which the Investment Manager believe will generate capital gains for the Fund.</p> <p>The Fund will typically have leverage of 1.0x (i.e. no leverage) to 1.1x, and may have leverage of up to 1.5x subject to the opportunity set and the magnitude of the mispricing available to it.</p>	Section 5.6
<i>Derivatives</i>	<p>Derivatives are used to manage risk and/or gain limited exposure to investments (i.e. to provide leverage). The use of Derivatives may amplify losses or returns on capital. The Investment Manager and Portfolio Manager intend to include exchange traded and OTC derivatives in the Fund's investment strategy.</p> <p>For key risks to the Fund associated with the collateral requirements of the Derivative counterparties, please see Section 6.3.</p>	Section 5.7
<i>Short selling</i>	<p>Short selling is used to manage risk and/or gain exposure to investments. The risks associated with short selling and the ways in which the Investment Manager seeks to mitigate those risks are set out in Sections 5.6 and 6.</p>	Section 5.6 and 6
<i>Withdrawals</i>	<p>Withdrawal requests must be received by 2PM AEST on any Business Day to receive that day's unit price. Withdrawal requests are generally processed and paid within 3 Business Days although a longer period of time is permitted under the Constitution.</p> <p>See Section 7 for more information on making a withdrawal.</p>	Section 7

## 4. Who is Managing the Fund?

### The Responsible Entity

#### Equity Trustees Limited

Equity Trustees Limited ABN 46 004 031 298 AFSL 240975, a subsidiary of EQT Holdings Limited ABN 22 607 797 615, which is a public company listed on the Australian Securities Exchange (ASX: EQT), is the Fund's responsible entity and issuer of this PDS. Established as a trustee and executorial service provider by a special Act of the Victorian Parliament in 1888, today Equity Trustees is a dynamic financial services institution which continues to grow the breadth and quality of products and services on offer.

Equity Trustees' responsibilities and obligations as the Fund's responsible entity are governed by the Fund's constitution ("Constitution"), the Corporations Act and general trust law. Equity Trustees has appointed AL Capital Holding Pty Ltd as the investment manager of the Fund. Equity Trustees has appointed a custodian to hold the assets of the Fund. The custodian has no supervisory role in relation to the operation of the Fund and is not responsible for protecting your interests.

### The Investment Manager

#### AL Capital Holding Pty Ltd

Founded in 2018, AL Capital is an asset management platform that predominantly invests in fixed income and equity across public and private markets.

AL Capital is the independent investment arm of the Aqualand Group – a Sydney based property developer with a vast portfolio of sites including high-end residences, boutique developments and retail and commercial assets.

Now, AL Capital is building on its success to develop a multi-asset management platform – expanding to work with a diverse set of clients via our Sydney head office and associate offices in Singapore, Hong Kong and Shanghai.

#### Investment Management Team

AL Capital's investment management team has decades of senior management and transactional experience in the banking, finance and investment sectors. The team's experience spans multiple business cycles across a range of asset classes, combined with a track record of successfully managing their own personal wealth.

For information on AL Capital's investment management team, please go to AL Capital's website: [www.alcapital.com.au/about/team](http://www.alcapital.com.au/about/team)

#### Investment Committee

The Fund is overseen by an Investment Committee which consists of Jin Lin, Warwick Smith, Wayne Mo, Vincent Hua, Gilles Plante and Phillip Smith, as well as members of AL Capital's investment management team who are actively involved in the Fund. The Committee is governed by the AL Capital Investment Committee Charter and provides oversight and broad guidance to the investment team and meets on a quarterly basis. The Committee has the power to instruct the investment team to dispose of any security it deems unsuitable for inclusion in the Fund. Information on the Investment Committee members is set out below.

#### Jin Lin

Jin Lin established Aqualand Group in 2014 and has grown the company's real estate portfolio to 23 sites worth a collective c\$6 billion. He is positioning the company as a developer of both Prime Foreshore Residences, boasting views across the iconic Sydney Harbour, and a Strategic Urban Regenerator, in areas benefitting from close proximity to key transport nodes,

retail hubs and education facilities. As one of Australia's youngest entrepreneurs, Jin credits his success to a philosophical approach to development, which centres on creating iconic legacies for future generations. Many Aqualand developments have a 10-year buildout period, creating long term employment opportunities, improving local economies and acting as catalysts for regeneration. He has established Aqualand Group as a wholly owned and operated Australian entity. Jin holds a Bachelor of Commerce, majoring in Finance, from Macquarie University and is a Member of the Art Gallery of NSW, President's Council.

#### Warwick Smith

Warwick Smith is a prominent figure in the Australian finance sector. He has extensive banking and financial services experience across Macquarie Bank Group, ANZ Banking Group Limited (in Australia and Asia), E\*TRADE.

He is currently Executive Chairman of Aqualand Group as well as Chairman of Aqualand Advisory Board and AL Capital. Furthermore he is Chairman of the Advisory Board of Australian Capital Equity, of Ord Minnett, and of the Global Engagement Committee of the Business Council of Australia.

Warwick also formerly served as Chairman of the Australia–China Council, National Foundation for Australia-China Relations, Australian Centre on China in the World at the Australian National University; as Global Trustee of the Asia Society and Chairman of the Asia Society in Australia.

For 15 years Warwick was an Australian Federal Government Minister. He was also Australia's first Telecommunications Ombudsman. He was awarded a Centenary Medal and has twice been honoured with an Order of Australia.

#### Wayne Mo

Wayne Mo, a notable merchant banker and investment professional, joined Aqualand Group in 2018 as Chief Executive Officer of the company's new investment arm, AL Capital. Wayne has over 27 years of financial and investment experience within Australian, Latin American and Asian markets. Wayne has been focused on Australia/China investment and trade flows over the past two decades. He is recognised as one of the most experienced senior executives and bankers in the Australia/China investment corridor. His highly-respected track record across international banking, structured finance, investment and M&A has equipped him with the skills to manage AL Capital. He is a Non-Executive Director of McGrath (ASX MEA), Sydney Children's Hospital Foundation and Ausbiz TV.

#### Vincent Hua

Vincent Hua is a highly experienced banking and investment management professional with over 30 years of experience. He has held senior positions at some of the largest global banks in the world, including Lehman Brothers, Commonwealth Bank, Shinsei Bank and Westpac. During the past 12 years, Vincent has invested and managed a significant number of direct investments across various industries globally, including resources, retail, infrastructure, logistics, and financial services. He was one of the founders of Mason Stevens Group and served as its Chief Executive Officer and Chief Investment Officer for over a decade.

Vincent is a Fellow of the Institute of Actuaries of Australia, and he holds a Master's degree and a Bachelor's degree in Economics, with a focus on Actuarial Science and Finance, from Macquarie University.

Vincent also serves as the portfolio manager for the ALC Global Credit Fund, where he manages the Fund on a day-to-day basis executing the Fund's investment strategy.

### **Gilles Plante**

Gilles Plante has over 30 years of experience in global financial markets and corporate & investment banking, where he has represented both Credit Suisse and ANZ Banking Group in New York, London, Paris, Tokyo, Hong Kong, Singapore and Sydney. Gilles also has extensive experience as a senior executive, including having previously held positions on the Management Board of ANZ, as Deputy CEO Institutional and International Banking, and as CEO Asia Pacific. Gilles has served on the Board of Etrade Australia, Esanda (Australia), Shanghai Rural Commercial Bank (China), Bank of Tianjin (China), Ambank (Malaysia) and was the Chairman of ANZ Bank China and Thailand, and is currently Managing Partner at Artesian, a leading Australian Venture Capital firm.

### **Phillip Smith**

Phillip Smith was a partner of Cutcher & Neale, responsible for its Investment Services division for 29 years. Prior to Cutcher and Neale, Phillip spent over seven years working in treasury divisions at various financial institutions including St George Bank, CCK Treasury Consultants and Hill Samuel Merchant Bank (London). In addition to his Chartered Accountant skills, Phillip has hands on experience and a deep understanding of the

investment strategy designed for retail and wholesale investors in the Australian market. Phillip is a regular presenter at information briefings and industry seminars on economics and investment market issues.

## **The Sub-Investment Manager**

### **Peridot Investment Management Pty Ltd**

Peridot Investment Management Pty Ltd ABN 49 657 916 044 AFSL 540132 ("Sub-Investment Manager") is a wholly owned subsidiary of AL Capital Holding Pty Ltd.

## **Administrator**

### **Apex Fund Services (Australia) Pty Ltd**

The Responsible Entity has appointed Apex Fund Services (Australia) Pty Ltd to act as administrator for the Fund. In this capacity, the Administrator performs all general administrative tasks for the Fund, including keeping financial books and records and calculating the Net Asset Value of the Fund.

The Responsible Entity has entered into an administration agreement with the Administrator, which governs the services that will be provided by the Administrator.

The Investment Manager may at any time, in consultation with the Responsible Entity, select any other administrator to serve as administrator to the Fund.

## 5. How the Fund invests

### 5.1 Investment Objective

The Fund seeks to generate returns in excess of 2.5% per annum above the RBA Cash Rate after fees and expenses by investing in an actively managed portfolio of interest rate securities including corporate debt, hybrid securities and structured debt securities such as RMBS and ABS. The securities can be denominated in Australian Dollars, or other major currencies typically from those of G7 countries, which will generally be hedged back to Australian Dollars.

### 5.2. Investment Strategy

The Fund's investment strategy is to invest in a portfolio of interest rate securities that pay a fixed or floating rate of return. The Fund can invest in any interest rate securities including corporate debt, hybrid securities and structured debt securities such as RMBS and ABS. Investment in these securities will have the potential to deliver higher returns over the medium term compared to cash. The portfolio of securities will be primarily investment grade, with no more than 10% of the assets of the Fund being typically reserved for securities that are initially investment grade, however, have been subsequently downgraded to below investment grade.

AL Capital will seek to achieve the Fund's investment objective by employing a range of active and dynamic investment strategies across the debt markets, both locally and internationally. The ability to source, understand and analyse the risk of the underlying securities and the issuers should enable a higher success of risk/return reward for investors. The portfolio takes advantage of the belief that the price of a security may differ from their intrinsic value at any point in time for a variety of reasons. For example, market dislocation through different supply and demand levels can impact the price of fixed income securities. Every time the price of a security is different from its intrinsic value there is an opportunity to benefit by taking steps to buy the security when the price is lower than the intrinsic value or to sell the security when the price is higher than its intrinsic value.

AL Capital attempts to construct a portfolio that will enhance an investor's return from actively managing the portfolio of securities to capture these price volatilities and/or also use derivative instruments to capture price inefficiencies and risk management. AL Capital also believes that the investment manager's main responsibility is to maximise returns on investors' capital, subject to an acceptable level of risk. It is the job of fund managers to manage risk rather than avoid risk.

#### Asset Composition

The Fund aims to invest in interest rate related securities and cash. There is no specific asset allocation in relation to the types of interest rate securities and cash held in the Fund, however no more than 10% of the assets of the Fund may be exposed to a single issue. There is no minimum or maximum levels of cash required to be held in the Fund.

#### Risk

The Fund aims to maximise returns on investors' capital, subject to an acceptable level of risk. These risks may include credit, market, interest rate, foreign currency, convertibility, duration and liquidity risks. Engaging in active investment management will mitigate such risk and enable the Fund to enhance return to investors.

#### Special Situations

Professional fund managers or institutional investors are often given preferred access to wholesale market and private placements. By having access to the wholesale market, the Fund can profit from opportunities that are not ordinarily available to

individual investors. The dynamic nature of these strategies should provide an opportunity for the Fund to generate additional returns from individual securities, sectors, special events or momentum driven themes within the Australian market.

#### Portfolio Construction

When selecting investments, AL Capital utilises a range of strategies including interest rate duration analysis, credit analysis, industry allocation and security selection. Investments are continuously evaluated in order to determine their inclusion in the Fund through the fully integrated risk management process.

#### Risk Management Framework

The core risk management philosophy for the Fund is diversification. The Fund will invest in a range of interest rate securities such as:

- Senior secured, unsecured or subordinated debt;
- Structured debt securities, such as ABS and RMBS; and
- Hybrid securities including convertible notes.

The underlying investments are selected for inclusion in the Fund based on their risk-adjusted return opportunity. To create a balance of risk, return and, to a certain extent, liquidity in the Fund, the investment team will use the following investment criteria as part of the risk management process:

- The gearing of the Fund will be limited to a net loan to valuation ratio of no more than 50% of the assets of the Fund;
- Maximum exposure to the securities of any single issue is limited to 10% of the assets of the Fund;
- No more than 10% of the assets of the Fund will be exposed to non-investment grade credits (i.e. below Standard & Poor's BBB – or equivalent credit);
- Maximum currency exposure is limited to 10% of the assets of the Fund;
- No more than 50% of the assets of the Fund will be invested in structured debt securities (which include RMBS or ABS) at any one time; and
- The Fund may invest in "fixed-rate" instruments and as such will carry a higher interest rate risk (or duration) than it would otherwise. This risk is managed (including using Derivatives) so that the average interest rate risk of the Fund is no more than two years.

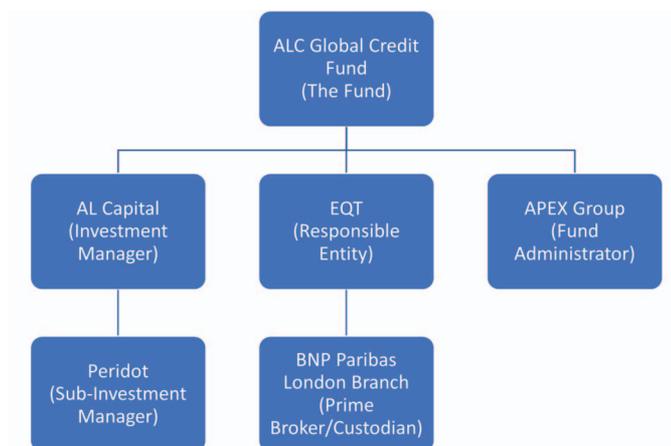
The Fund may use Derivatives to manage exposure to relevant markets or foreign currencies and to manage investment risk. From time to time, the Fund may hold a certain allocation in cash to facilitate the Fund's ability to act on investment opportunities as they arise. As the factors giving rise to these opportunities are varied, the holding period of individual exposures within the Fund may vary greatly. Whilst the Fund may hold cash, there is no minimum level of cash which the Fund is required to maintain.

### 5.3. Fund Structure

The Fund is a registered managed investment scheme governed by the Constitution. The Fund comprises assets which are acquired in accordance with its investment strategy. An investment in the Fund is represented by the issue of units. Each unit in the Fund represents a proportional interest attributable in value to the underlying value of the net assets in the Fund having regard to the total number of issued units in the Fund. Unit prices are based on the value of all the investments in the Fund (which may rise and fall) less any liabilities of the Fund, and

inclusive of the Buy-Sell Spread. Unit prices are calculated each Business Day and may change daily. Equity Trustees is the Responsible Entity for the Fund and has appointed AL Capital as the Investment Manager.

The Responsible Entity has engaged and entered into service agreements with a number of professional service providers to provide a range of investment, administration and back office services to the Fund, including custody, brokerage, administration services and transaction execution. The Responsible Entity with the assistance of AL Capital will monitor the performance of the service providers against service standards set out in the relevant agreements.



#### 5.4. Valuation, location and custody of assets

The Fund's assets are valued on a daily basis and provided to the Fund's independent administrator, who then calculates the daily unit prices for the Fund. The value of the investments of the Fund is generally determined daily. The value of a Unit is determined by the NAV per Unit. This is calculated by deducting from the gross value of the assets of the Fund the value of the liabilities of the Fund (not including any investor liability). Generally, investments will be valued on each Business Day at their market value but other valuation methods and policies may be applied by the Administrator if appropriate or if otherwise required by law or applicable accounting standards.

Assets of the Fund are held by the Fund's independent prime brokers. As the Fund can invest in international assets, these assets are generally held in the country of jurisdiction that each asset is governed. This may involve sub-custodial relationships implemented by the Fund's prime brokers, though typically these are with affiliated companies connected with each prime broker. For illustration, assets governed by Australian Law typically will be held in Australia. The Fund is not restricted to what countries, or currencies it can invest in, but all material assets will typically be invested in assets in Australia, Asia (Hong Kong, Japan, Singapore), the US, UK, and Europe (France, Germany, Switzerland). A breakdown of where the Fund's prime brokers typically hold assets in each country can be made available to investors by contacting the Investment Manager via email to [contact@alcapital.com.au](mailto:contact@alcapital.com.au).

#### 5.5. Liquidity

This Fund offers daily liquidity in normal circumstances. The constitution for the Fund as well as the law sometimes restricts withdrawals.

Investors will be notified of any material changes to withdrawals (e.g. if withdrawals need to be restricted).

#### 5.6. Leverage

The Fund can take long and short positions, use repurchase agreements, borrow and use Derivatives and this can mean the Fund is geared (or leveraged). Leverage can amplify gains and

also amplify losses. At the core of the Portfolio Manager's use of leverage is that it is applied against liquid, investment-grade debt securities, which rank ahead of equities and hybrids in the corporate capital structure.

The Investment Manager has set leverage limits and other exposure limits to assist with risk management, which is overseen by the Investment Manager's independent compliance committee. The Fund does not target a specific level of leverage, and does not use leverage simply to increase Fund yield. Leverage may be used to obtain additional exposure to mispriced assets that the Manager believes will generate capital gains for the Fund. The Fund will typically have gearing of 1.0x (no gearing) to 1.10x, and may have gearing of up to 1.50x subject to the opportunity set and the magnitude of the mispricing available to it.

The following example illustrates the way in which gearing can effect gains and losses in comparison of a fund that is not geared.

Example	Geared	Ungeared
Initial Investment	\$10,000	\$10,000
Fund gearing level	50.00%	50.00%
Amount borrowed by Fund	\$5,000	\$0
Amount invested in market	\$15,000	\$10,000
If the value of the Fund's assets rises by 2.0%		
Rise in value of Fund's assets	\$300	\$200
Value of Fund's assets	\$15,300	\$10,200
Outstanding Loan	\$5,000	\$0
Value of Investment	\$10,300	\$10,200
Gain on investment	\$300	\$200
Return	3.00%	2.00%
If the value of the Fund's assets falls by 2.0%		
Fall in value of Fund's assets	-\$300	-\$200
Value of Fund's assets	\$14,700	\$9,800
Outstanding Loan	\$5,000	\$0
Value of Investment	\$9,700	\$9,800
Loss on investment	-\$300	-\$200
Return	-3.00%	-2.00%

#### 5.7. Derivatives

A Derivative is any financial product that derives its value from another security, index or liability.

The Fund may from time to time purchase or sell Derivatives to manage (or 'hedge') risks. The Fund may invest in OTC and exchange traded derivatives, comprising the following types of Derivatives:

- foreign currency derivatives;
- credit derivatives;
- interest rate derivatives;
- equity exposures (hybrid securities may have elements of convertibility that may allow the securities to be converted into equity or other instruments);
- other related swaps.

## 5.8. Short Selling

Short sales involve selling an investment you do not own in anticipation that the investment's price will decline. Short sales are important as they can generate performance in declining markets or provide a hedge to long market exposure. But they present a risk on an individual investment basis, since the price of the investment may rise, causing the value of the Fund to decline. In addition, the Fund may be required to buy back the investment sold short at a time when the investment has increased in value, which would generate a loss.

The Fund may enter into short selling positions in order to profit from a particular mispricing, or to hedge other positions within the Fund. The Fund can enter short selling positions using Derivatives or through securities borrowing via repurchase agreements or similar arrangements. Short selling does not form a substantive part of the Fund's investment strategy, and short sales are expected to be used opportunistically when certain bonds or Derivatives are expected to decrease in value.

## 5.9. Withdrawals

Except where the Fund is not liquid (see below), the Responsible Entity will generally allow investors to access their funds within 3 Business Days of receipt of a Redemption Request Form for the relevant amount.

Where there is a suspension of withdrawals or where the proportion of liquid assets of the Fund falls below the specified thresholds under the Corporations Act, investors may not be able to withdraw their investments within the usual period upon request. In the unlikely event that material changes to withdrawal rights are made, investors will be notified.

Please see section 7 for further details on applications and withdrawals.

## 5.10. Suggested investment timeframe

The suggested investment timeframe is 3 years, having regard to the underlying fixed income investments and other investment strategies such as the use of Derivatives, leverage and short selling (discussed in this part 5). In suggesting this

timeframe we have not taken into account your individual objectives, financial circumstances or needs. Consider whether this product is right for you and consult a financial adviser before making a decision to buy or continue to hold this product.

## 5.11. Labour standards and environmental, social and ethical considerations

Whilst AL Capital intends to conduct its affairs in an ethical and sound manner, its investment criteria do not take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising an investment of the Fund.

## 5.12. Fund performance

Up to date information on the performance of the Fund will be available by visiting our website [www.alcapital.com.au](http://www.alcapital.com.au). A paper copy of the information will also be available free of charge on request.

Past performance is not indicative of future performance. The Responsible Entity and Investment Manager do not guarantee the capital, any return on income or capital or the investment performance of the Fund.

## 5.13. Significant benefits of investing in the Fund

### Aim of stable returns from fixed income securities

The Fund aims to provide investors with a regular income and capital stability over the medium term through a portfolio of fixed income investments.

### Dynamic management strategies to capture opportunities

AL Capital is able to access and take full advantage of investment opportunities as they arise, using investment techniques which are not easily replicated by retail investors.

### Access to investment opportunities

AL Capital is able to access the wholesale capital markets that are not ordinarily accessible by retail investors.

### Access to talented and experienced investment professionals

As at the date of this PDS, AL Capital's investment management team and Investment Committee comprise skilled investment managers and former senior executives of major financial institutions with experience across all major asset sectors in all market cycles. Please refer to the AL Capital's website – <https://alcapital.com.au/about/team> - for biographies on the investment management team and other key professionals in AL Capital.

### Alignment of interests

As at the date of this PDS, various members of AL Capital's investment management team and Investment Committee are investors in the Fund, ensuring that their interests are aligned with investors.

## 6. Managing risk

All investments carry risks. Different investment strategies may carry different levels of risk, depending on the assets acquired under the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The significant risks below should be considered in light of your risk profile when deciding whether to invest in the Fund. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets and your risk tolerance.

The Responsible Entity and the Investment Manager do not guarantee the liquidity of the Fund's investments, repayment of capital or any rate of return or the Fund's investment performance. The value of the Fund's investments will vary. Returns are not guaranteed, and you may lose money by investing in the Fund. The level of returns will vary and future returns may differ from past returns. Laws affecting managed investment schemes may change in the future. The structure and administration of the Fund is also subject to change.

In addition, we do not offer advice that takes into account your personal financial situation, including advice about whether the Fund is suitable for your circumstances. If you require personal financial or taxation advice, you should contact a licensed financial adviser and/or taxation adviser.

### Key Risks

#### Interest Rate Risk

Interest rate risk represents the risk that the value of the Fund may be adversely affected when interest rates rise or fall. As the Fund may invest in fixed rate or floating rate securities, the value and income of the Fund can fluctuate significantly in response to changes in interest rates.

#### Foreign Currency Risk

Foreign currency risk represents the risk that the Fund may make a loss when the exchange rate rises or falls. This may occur if the Fund has any exposure to foreign currency assets or liabilities. Although the Fund intends to hedge the majority of the foreign currency risk, there can be no guarantee that the currency exposure of the Fund will be hedged at all times and the Fund may still have some residual exposure to foreign currency risks.

#### Market Risk

Market risk represents the risk of adverse movements in markets (including asset and share prices, volatility, changes in yield curve, changes in interest rates or other market variables) impacting upon assets held by the Fund.

#### Liquidity Risk

There is a risk that a particular security will not be able, or will not easily be able, to be liquidated at or near the previous market price, due to inadequate market depth or to disruptions in the marketplace. There is also a risk that the Fund may become illiquid. If this were to happen, the Responsible Entity cannot process withdrawal requests and could only give effect to withdrawals in accordance with the Corporations Act. The Fund is not listed and there is not expected to be a secondary market.

#### Credit Risk

The Fund may not receive income and/or suffer a capital loss on a security held in the Fund. This could occur, for example, where the issuer of the security does not meet its

obligations to pay interest and/ or principal in full and/or on time. Credit risk also relates to the Fund's exposure to movement in credit risk ratings of the underlying securities purchased by the Fund. Credit risk rating is an assessment of an

issuer's ability to meet its financial obligations. An adverse change in credit risk rating may reduce the underlying securities value and which may in turn reduce the value of the Fund.

#### Counterparty Risk

Counterparty risk is the risk that a counterparty to a contract will fail to perform contractual obligations (e.g. default in either whole or part) under the contract. Counterparties may include, among others, brokerage and trading firms, banks and the prime broker.

#### Derivative Risk

The Fund may use Derivatives predominantly to hedge the risk of the underlying securities, to manage returns or for managing foreign currency funding positions. Derivative instruments include options, futures, swaps and other OTC or structured instruments which may provide exposures to interest rates, foreign currencies, equities, commodities and credit risks. However, this may involve some element of risk including:

- **Market Risk:** Significant losses from Derivative contracts may occur in the event of extreme market movements.
- **Counterparty Risk:** In Derivative transactions, there is a risk that a counterparty to a transaction may wholly or partially fail to perform their contractual obligations under the contract.
- **Leverage:** A Derivative contract typically involves leverage. This is due to the notional size of a Derivative held in the Fund being able to be larger than the total deposits needed to be placed with the broker to support the exposures. Consequently, an adverse change in the relevant price level can result in a loss of capital that is more exaggerated than would have resulted from an investment that did not involve the use of leverage inherent in the Derivative contract.

#### Legal Risk

The Fund may be affected by the actions of governments and regulatory bodies. Legislation (including legislation relating to tax) or regulation may be introduced which may have an impact on the Fund or on your investments.

#### Fund Risk

Risks particular to the Fund may include the termination of the Fund, the fees and expenses could change, and the Responsible Entity may retire or be removed. There is also a risk that the investment manager could change. The success of AL Capital's trading and the investment performance is to a large degree dependent upon the services of its senior portfolio management team and the investment committee that oversees the portfolio management team. The loss of the services of these individuals could result in AL Capital inability to trade effectively for the Fund's accounts. In addition, there is no guarantee that any of the current employees of AL Capital will continue to work with AL Capital in the future.

#### Operational Risk

Disruptions to administrative procedures or operational controls may challenge day to day operations. Adverse impacts may arise internally through human error, technology or infrastructure changes or through external events such as regulatory changes.

#### Taxation Risk

The Fund has determined that the eligibility requirements are satisfied to be taxed as an attribution managed investment trust ("AMIT"), and the Responsible Entity has made the choice for the AMIT provisions to apply to the Fund from the year ended

30 June 2021. As the choice into the AMIT regime is irrevocable, the income tax treatment of the Fund and its investors may differ to the treatment as outlined above.

### **Investment Risk**

All investments have an inherent level of risk. The general expectation is that a high risk investment offers a higher expected return. Investment risk may result in performance less than you expect, the loss of capital invested, a reduction in or no income and possible withdrawal delays. Whilst it is the intention of the Investment Manager to implement strategies designed to minimise potential losses, there can be no assurance that these strategies will be successful.

### **Systems and Technology Risk**

The Investment Manager relies on the integrity and reliability of the Fund's trading and administration systems used to manage the Fund. To minimise potential risks, established systems operated by reputable providers are used. The system providers must have back-up arrangements and business continuity plans, and go through a due diligence process before being selected. Ongoing monitoring of system providers also occurs on a periodic or annual basis. In the event that systems or technology fails there may be delays in processing transactions, Fund reporting or in accessing your investment capital.

### **Third Party Risk**

AL Capital uses information and services provided by third parties such as sub-custodians and other service providers. Procedures are in place to address risks associated with outsourcing, such as having comprehensive service agreements with service providers. If a service provider advises of an error, it is corrected and if material, it will generally be communicated to you or your advisor (or both).

### **Pandemic and other unforeseen event risk**

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on the economies and financial markets either in specific countries or worldwide and consequently on the value of the Fund's investments. Further, under such circumstances the operations, including functions such as trading and valuation, of the Investment Manager, and other service providers could be reduced, delayed, suspended or otherwise disrupted.

## 7. Investing and withdrawing

### Applying for units

You can acquire units by completing the Application Form that accompanies this PDS. The minimum initial investment amount for the Fund is \$25,000.

Completed Application Forms should be sent along with your identification documents (if applicable) to:

Apex Fund Services (Australia) Pty Ltd  
Client Services Registry Team  
PO Box 189, Flinders Lane  
Melbourne VIC 8009  
or sending it by fax to +61 2 9251 3525  
or emailing the request to SSG.AUS@apexfs.com (Please insert the Fund name in the subject line)

Please note that cash and cheques cannot be accepted.

We reserve the right to accept or reject applications in whole or in part at our discretion. We have the discretion to delay processing applications where we believe this to be in the best interest of the Fund's investors.

The price at which units are acquired is determined in accordance with the Constitution ("Application Price"). The Application Price on a Business Day is, in general terms, equal to the Net Asset Value ("NAV") of the Fund, divided by the number of units on issue and adjusted for transaction costs ("Buy Spread"). At the date of this PDS, the Buy Spread is 0.05%.

The Application Price will vary as the market value of assets in the Fund rises or falls.

### Application cut-off times

If we receive a correctly completed Application form, identification documents (if applicable) and cleared application money:

- before or at 2pm AEST on a Business Day and your application for units is accepted, you will receive the Application Price calculated for that Business Day; or
- after 2pm AEST on a Business Day and your application for units is accepted, you will receive the Application Price calculated for the next Business Day.

We will only start processing an application if:

- we consider that you have correctly completed the Application form;
- you have provided us with the relevant identification documents if required; and
- we have received the application money (in cleared funds) stated in your Application form.

We reserve the right to accept or reject applications in whole or in part at our discretion. We have the discretion to delay processing applications where we believe this to be in the best interest of the Fund's investors.

### Additional applications

You can make additional investments into the Fund at any time by sending us your additional investment amount together with a completed application form. \$5,000.

### Terms and conditions for applications

Applications can be made at any time. Application cut-off times and unit pricing are set out in the initial applications section above.

Please note that we do not pay interest on application monies (any interest is credited to the Fund).

Equity Trustees reserves the right to refuse any application without giving a reason. If for any reason Equity Trustees refuses or is unable to process your application to invest in the Fund, Equity Trustees will return your application money to you, subject to regulatory considerations, less any taxes or bank fees in connection with the application. You will not be entitled to any interest on your application money in this circumstance.

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, applications made without providing all the information and supporting identification documentation requested on the Application Form cannot be processed until all the necessary information has been provided. As a result, delays in processing your application may occur.

### Cooling off period

If you are a Retail Client who has invested directly in the Fund, you may have a right to a 'cooling off' period in relation to your investment in the Fund for 14 days from the earlier of:

- confirmation of the investment being received; and
- the end of the fifth business day after the units are issued.

A Retail Client may exercise this right by notifying Equity Trustees in writing. A Retail Client is entitled to a refund of their investment adjusted for any increase or decrease in the relevant Application Price between the time we process your application and the time we receive the notification from you, as well as any other tax and other reasonable administrative expenses and transaction costs associated with the acquisition and termination of the investment.

The right of a Retail Client to cool off does not apply in certain limited situations, such as if the issue is made under a distribution reinvestment plan, switching facility or represents additional contributions required under an existing agreement. Also, the right to cool off does not apply to you if you choose to exercise your rights or powers as an investor in the Fund during the 14 day period. This could include selling part of your investment or switching it to another product.

Indirect Investors should seek advice from their IDPS Operator as to whether cooling off rights apply to an investment in the Fund by the IDPS. The right to cool off in relation to the Fund is not directly available to an Indirect Investor. This is because an Indirect Investor does not acquire the rights of an investor in the Fund. Rather, an Indirect Investor directs the IDPS Operator to arrange for their monies to be invested in the Fund on their behalf. The terms and conditions of the IDPS Guide or similar type document will govern an Indirect Investor's investment in relation to the Fund and any rights an Indirect Investor may have in this regard.

### Making a withdrawal

Investors in the Fund can generally withdraw their investment by completing a written request to withdraw from the Fund and mailing it to:

Apex Fund Services (Australia) Pty Ltd  
Client Services Registry Team  
PO Box 189, Flinders Lane  
Melbourne VIC 8009  
or sending it by fax to +61 2 9251 3525  
or emailing the request to SSG.AUS@apexfs.com (Please insert the Fund name in the subject line)

The minimum withdrawal amount is \$10,000. Once we receive your withdrawal request, we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

Equity Trustees will generally allow an investor to access their investment within 3 days of accepting a withdrawal request by transferring the withdrawal proceeds to such investors' nominated AUD Australian bank account. However, the Constitution allows Equity Trustees to reject withdrawal requests and also to make payment up to 21 days after acceptance of a request (which may be extended in certain circumstances).

The price at which units are withdrawn is determined in accordance with the Constitution ("Withdrawal Price"). The Withdrawal Price on a Business Day is, in general terms, equal to the NAV of the Fund, divided by the number of units on issue and adjusted for transaction costs ("Sell Spread"). At the date of this PDS, the Sell Spread is 0.15%. The Withdrawal Price will vary as the market value of assets in the Fund rises or falls.

Equity Trustees reserves the right to fully redeem your investment if your investment balance in the Fund falls below \$25,000 as a result of processing your withdrawal request. Equity Trustees can deny a withdrawal request or suspend consideration of a withdrawal request in certain circumstances, including where accepting the request is not in the best interests of investors in the Fund or where the Fund is not liquid (as defined in the Corporations Act). When the Fund is not liquid, an investor can only withdraw when Equity Trustees makes a withdrawal offer to investors in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers.

### Withdrawal cut-off times

If we receive a withdrawal request:

- before 2pm AEST on a Business Day and your withdrawal request is accepted, you will receive the Withdrawal Price calculated for that Business Day; or
- on or after 2pm AEST on a Business Day and your withdrawal request is accepted, you will receive the Withdrawal Price calculated for the next Business Day.

We reserve the right to accept or reject withdrawal requests in whole or in part at our discretion. We have the discretion to delay processing withdrawal requests where we believe this to be in the best interest of the Fund's investors.

### Access to funds

Except where the Fund is not liquid (see below), the Responsible Entity will generally allow investors to access their funds within 3 Business Days of receipt of a Redemption Request Form for the relevant amount.

However, the Constitution of the Fund allows the Responsible Entity to make payment up to 30 days after receipt of a Redemption Request Form, and this period can be extended at the discretion of Equity Trustees in accordance with the Constitution.

The Responsible Entity reserves the right to postpone the processing and payment of withdrawals for the Fund subject to the above extensions of time.

Where the Fund is not liquid (as defined in the Corporations Act) an investor does not have a right to withdraw from the Fund and can only withdraw where the Responsible Entity makes a withdrawal offer to investors in accordance with the Corporations Act. The Responsible Entity is not obliged to make such offers. The Fund will cease to be liquid if less than 80% of its assets are liquid assets. Broadly, liquid assets are money in an account or on deposit with a financial institution, bank accepted bills, marketable securities, other prescribed property and other assets that the Responsible Entity reasonably expects can be realised for their market value within the period specified in the Constitution for satisfying withdrawal requests while the Fund is liquid.

### Terms and conditions for withdrawals

The minimum withdrawal amount in the Fund is \$10,000. Where a withdrawal request takes the balance below the minimum level of \$25,000, the Responsible Entity may require you to redeem the remaining balance of your investment. Equity Trustees has the right to change the minimum holding amount.

The Responsible Entity can deny a withdrawal request in whole or in part. Equity Trustees will refuse to comply with any withdrawal request if the requesting party does not satisfactorily identify themselves as the investor. Withdrawal payments will not be made to third parties (including authorised nominees), and will only be paid directly to the investor's nominated AUD bank account held in the name of the investor at a branch of an Australian domiciled bank. By lodging a facsimile or email withdrawal request the investor releases, discharges and agrees to indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from any facsimile or email withdrawal request.

You also agree that any payment made in accordance with the fax or email instructions shall be in complete satisfaction of the obligations of Equity Trustees, notwithstanding any fact or circumstance including that the payment was made without your knowledge or authority.

When you are withdrawing, you should take note of the following:

- We are not responsible or liable if you do not receive, or are late in receiving, any withdrawal money that is paid according to your instructions.
- We may contact you to check your details before processing your Redemption Request Form. This may cause a delay in finalising payment of your withdrawal money. No interest is payable for any delay in finalising payment of your withdrawal money.
- If we cannot satisfactorily identify you as the withdrawing investor, we may refuse or reject your withdrawal request or payment of your withdrawal proceeds will be delayed. We are not responsible for any loss you consequently suffer.
- As an investor who is withdrawing, you agree that any payment made according to instructions received by post, courier, fax or email, shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.

You agree that if the payment is made according to all the terms and conditions for withdrawals set out in this PDS, you and any person claiming through or under you, shall have no claim against Equity Trustees or the Investment Manager in relation to the payment. Investors will be notified of any material change to their withdrawal rights (such as any suspension of their withdrawal rights) in writing.

### Distributions

An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of units held by the investor at the end of the distribution period.

The Fund usually distributes income quarterly. Distributions are calculated effective the last day of the distribution period and are normally paid to investors as soon as practicable after the distribution calculation date.

Investors in the Fund can indicate a preference to have their distribution:

- reinvested back into the Fund; or
- directly credited to their AUD Australian domiciled bank account.

Investors who do not indicate a preference will have their distributions automatically reinvested. Applications for reinvestment will be taken to be received immediately prior to the next Business Day after the relevant distribution period. There is no Buy Spread on distributions that are reinvested.

In some circumstances, the Constitution may allow for an investor's withdrawal proceeds to be taken to include a component of distributable income.

## Valuation of the Fund

The value of the investments of the Fund is generally determined daily. The value of a unit is determined by the Net Asset Value (NAV). This is calculated by deducting from the gross value of the Fund assets the value of the liabilities of the Fund (not including any unitholder liability). Generally, investments will be valued on each Business Day at their market value but other valuation methods and policies may be applied by Equity Trustees if appropriate or if otherwise required by law or applicable accounting standards. The Application Price of a unit in the Fund is based on the NAV divided by the number of units on issue. The Responsible Entity can also make an allowance for transaction costs required for buying investments when an investor acquires units; this is known as the Buy Spread.

The Withdrawal Price of a unit in the Fund is based on the NAV divided by the number of units on issue. The Responsible Entity can also make an allowance for transaction costs required for selling investments when an investor makes a withdrawal; this is known as the Sell Spread.

The Buy/Sell Spread can be altered by the Responsible Entity at any time and the Investment Managers or REs web site and fact sheet will be updated as soon as practicable to reflect any change.

Refer to Section 9 for additional information.

## Joint account operation

For joint accounts, each signatory must sign withdrawal requests. Please ensure both signatories sign the declaration in the Application Form. Joint accounts will be held as joint tenants.

## Authorised signatories

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the initial Application Form and have them sign the relevant sections. If a company is appointed, the powers extend to any

director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

Once appointed, your authorised signatory has full access to operate your investment account for and on your behalf. This includes the following:

- making additional investments;
- requesting income distribution instructions to be changed;
- withdrawing all or part of your investment;
- changing bank account details;
- enquiring and obtaining copies of the status of your investment; and
- having online account access to your investment.

If you do appoint an authorised signatory:

- you are bound by their acts;
- you release, discharge and indemnify us from and against any losses, liabilities, actions, proceedings, account claims and demands arising from instructions received from your authorised representatives; and
- you agree that any instructions received from your authorised representative shall be complete satisfaction of our obligations, even if the instructions were made without your knowledge or authority.

## Electronic instructions

If an investor instructs Equity Trustees by electronic means, such as facsimile or via the internet, the investor releases Equity Trustees from and indemnifies Equity Trustees against, all losses and liabilities arising from any payment or action Equity Trustees makes based on any instruction (even if not genuine) that Equity Trustees receives by an electronic communication bearing the investor's investor code and which appears to indicate to Equity Trustees that the communication has been provided by the investor e.g. a signature which is apparently the investor's and that of an authorised signatory for the investment or an email address which is apparently the investor's. The investor also agrees that neither they nor anyone claiming through them has any claim against Equity Trustees or the Fund in relation to such payments or actions. There is a risk that a fraudulent withdrawal request can be made by someone who has access to an investor's investor code and a copy of their signature or email address. Please take care.

## 8. Keeping track of your investment

### Complaints resolution

Equity Trustees has an established complaints handling process and is committed to properly considering and resolving all complaints. If you have a complaint about your investment, please contact us on:

Phone: 1300 133 472  
Post: Equity Trustees Limited  
GPO Box 2307, Melbourne VIC 3001  
Email: [compliance@eqt.com.au](mailto:compliance@eqt.com.au)

We will acknowledge receipt of the complaint within 1 Business Day or as soon as possible after receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 30 calendar days after receiving the complaint.

If you are not satisfied with our response to your complaint, you may be able to lodge a complaint with the Australian Financial Complaints Authority ("AFCA").

Contact details are:  
Online: [www.afca.org.au](http://www.afca.org.au)  
Phone: 1800 931 678  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Post: GPO Box 3, Melbourne VIC 3001.

The external dispute resolution body is established to assist you in resolving your complaint where you have been unable to do so with us. However, it's important that you contact us first.

### Reports

We will make the following statements available to all investors;

- A transaction confirmation statement, showing a change in your unit holding (provided when a transaction occurs or on request).
- The Fund's annual audited accounts for each period ended 30 June.
- Annual distribution, tax and confirmation of holdings statements for each period ended 30 June.
- Annual report detailing each of the following:
  - the actual allocation to each asset type;
  - the liquidity profile of the portfolio assets as at the end of the period;
  - the maturity profile of the liabilities as at the end of the period;
  - the Derivative counterparties engaged (including capital protection providers);
  - the leverage ratio (including leverage embedded in the assets of the Fund, other than listed equities and bonds) as at the end of the period; and
  - the key service providers if they have changed since the latest report given to investors, including any change in their related party status.

The latest annual report will generally be available online from approximately 8 weeks after the end of the Financial Year.

The following information is available on AL Capital's website and/or is disclosed monthly:

- the current total NAV of the Fund and the withdrawal value of a unit in each class of units as at the date the NAV was calculated;
- the monthly or annual investment returns over at least a five-year period (or, if the Fund has not been operating for five years, the returns since its inception);
- any change to key service providers if they have changed since the last report given to investors;
- for each of the following matters since the last report on those matters:
  - the net return on the Fund's assets after fees, costs and taxes;
  - any material change in the Fund's risk profile;
  - any material change in the Fund's strategy; and
  - any change in the individuals playing a key role in investment decisions for the Fund.

By applying to invest in the Fund, you agree that, to the extent permitted by law, any periodic information which is required to be given to you under the Corporations Act or ASIC policy can be given to you by making that information available on Equity Trustees' or the Investment Manager's website.

Please note that Indirect Investors who access the Fund through an IDPS will receive reports directly from the IDPS Operator and not from the Responsible Entity. However, Equity Trustees will be providing the reports described above to relevant IDPS Operators. Indirect Investors should refer to their IDPS Guide for information on the reports they will receive regarding their investment.

If and when the Fund has 100 or more direct investors, it will be classified by the Corporations Act as a 'disclosing entity'. As a disclosing entity the Fund will be subject to regular reporting and disclosure obligations. Investors would have a right to obtain a copy, free of charge, of any of the following documents:

- the most recent annual financial report lodged with ASIC ("Annual Report");
- any subsequent half yearly financial report lodged with ASIC after the lodgement of the Annual Report; and
- any continuous disclosure notices lodged with ASIC after the Annual Report but before the date of this PDS.

Equity Trustees will comply with any continuous disclosure obligation by lodging documents with ASIC as and when required.

Copies of these documents lodged with ASIC in relation to the Fund may be obtained through ASIC's website at [www.asic.gov.au](http://www.asic.gov.au).

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

### Fees and other costs

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

Taxes are set out in 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.

### Fees and Costs Summary

ALC Global Credit Fund		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<i>Management fees and costs</i> The fees and costs for managing your investment	0.71% of the NAV of the Fund <sup>2</sup>	The management fees component of management fees and costs are accrued Daily and paid from the Fund monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Fund as they are incurred. The management fees component of management fees and costs can be negotiated. Please see "Differential fees" in the "Additional Explanation of Fees and Costs" for further information.
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	Not applicable	
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.00% of the NAV of the Fund <sup>2</sup>	Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the Buy-Sell Spread.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)</b>		
<i>Establishment fee</i> The fee to open your investment	Not applicable	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Not applicable	Not applicable

## ALC Global Credit Fund

<p><i>Buy-sell spread</i></p> <p>An amount deducted from your investment representing costs incurred in transactions by the scheme</p>	0.05% upon entry and 0.15% upon exit	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption.
<p><i>Withdrawal fee</i></p> <p>The fee on each amount you take out of your investment</p>	Not applicable	Not applicable
<p><i>Exit fee</i></p> <p>The fee to close your investment</p>	Not applicable	Not applicable
<p><i>Switching fee</i></p> <p>The fee for changing investment options</p>	Not applicable	Not applicable

<sup>1</sup> All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below for more details as to how the relevant fees and costs are calculated.

<sup>2</sup>

The indirect costs component of management fees and costs and transaction costs is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12 month period. Please see "Additional Explanation of Fees and Costs" below.

### Additional Explanation of Fees and Costs

#### Management fees and costs

The management fees and costs include amounts payable for administering and operating the Fund, investing the assets of the Fund, expenses and reimbursements in relation to the Fund and indirect costs if applicable.

Management fees and costs do not include performance fees or transaction costs, which are disclosed separately.

The management fees component of management fees and costs of 0.71% p.a. of the NAV of the Fund is payable to the Responsible Entity of the Fund for managing the assets and overseeing the operations of the Fund. The management fees component is accrued Daily and paid from the Fund monthly in arrears and reflected in the unit price. As at the date of this PDS, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 0.00% p.a. of the NAV of the Fund may include other ordinary expenses of operating the Fund, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Fund invests and the costs of investing in over-the-counter derivatives to gain investment exposure to assets or implement the Fund's investment strategy. The indirect costs and other expenses component is variable and reflected in the unit price of the Fund/Class as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or Investment Manager. The indirect costs and other expenses is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12 month period.

In relation to the costs that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager

Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this PDS, updates will be provided on Equity Trustees' website at [www.eqt.com.au/insto](http://www.eqt.com.au/insto) where they are not otherwise required to be disclosed to investors under law.

#### Transaction costs

In managing the assets of the Fund, the Fund may incur transaction costs such as brokerage, buy-sell spreads in respect of the underlying investments of the Fund, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold and the costs of over-the-counter derivatives that reflect transaction costs that would arise if the Fund held the ultimate reference assets, as well as the costs of over-the-counter derivatives used for hedging purposes. Transaction costs also include costs incurred by interposed vehicles in which the Fund invests (if any), that would have been transaction costs if they had been incurred by the Fund itself. Transaction costs are an additional cost to the investor where they are not recovered by the Buy/Sell Spread, and are generally incurred when the assets of the Fund are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Fund.

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Fund will incur when buying or selling assets of the Fund. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.05% upon entry and 0.15% upon exit. The dollar value of these costs based on an application or a withdrawal of \$25,000 is \$12.50 or \$37.50 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time and the Investment Managers or REs web site and fact sheet will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or

in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

Transaction costs generally arise through the day-to-day trading of the Fund's assets and are reflected in the Fund's unit price as an additional cost to the investor, as and when they are incurred.

The gross transaction costs for the Fund are 0.00% p.a. of the NAV of the Fund, which is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12 month period.

In relation to the costs that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager.

However, actual transaction costs for future years may differ.

### Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled

is 2.00% of the GAV of the Fund. However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly, without notice.

### Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Wholesale Clients. Please contact the Investment Manager on +61 2 9228 1888 for further information.

### Taxation

Please refer to Section 10 of the Product Disclosure Statement for further information on taxation.

## Example of annual fees and costs for an investment option

This table gives an example of how the ongoing annual fees and costs in the investment option for this product 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.

EXAMPLE – ALC Global Credit Fund		
BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR		
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
<b>Plus</b> Management fees and costs	0.71% p.a.	<b>And</b> , for every \$50,000 you have in the ALC Global Credit Fund you will be charged or have deducted from your investment \$355 each year
<b>Plus</b> Performance fees	Nil	<b>And</b> , you will be charged or have deducted from your investment \$0 in performance fees each year
<b>Plus</b> Transaction costs	0.00% p.a.	<b>And</b> , you will be charged or have deducted from your investment \$0 in transaction costs
<b>Equals</b> Cost of ALC Global Credit Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$355* <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

\* Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you such as the Buy/Sell Spread.

This example assumes the \$5,000 contribution occurs at the end of the first year, therefore the fees and costs are calculated using the \$50,000 balance only.

**Warning: If you have consulted a financial adviser, you may pay additional fees. You should refer to the Statement of Advice or Financial Services Guide provided by your financial adviser in which details of the fees are set out.**

ASIC provides a fee calculator on [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which you may use to calculate the effects of fees and costs on account balances.

The indirect costs and other expenses component of management fees and costs and transaction costs may also be based on estimates. As a result, the total fees and costs that you are charged may differ from the figures shown in the table.

## 10. Taxation

### Taxation

The following information summarises some of the Australian taxation issues you may wish to consider before making an investment in the Fund and assumes that you hold your investment in the Fund on capital account and are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale. The information should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ.

A number of tax reform measures are currently under review by the Australian Government. These reforms may impact on the tax position of the Fund and its investors. Accordingly, it is recommended that investors seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

#### General

The Fund is an Australian resident trust for Australian tax purposes. Therefore, the Fund is required to determine its net income (taxable income) for the year of income. On the basis that investors are presently entitled (which is the intention of Equity Trustees) to the net income of the Fund (including net taxable capital gains) or will be attributed their share of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund and the Fund is not a public trading trust, the Fund should be treated as a flow-through trust for tax purposes. This means that investors should be taxed on their share of the Fund's net taxable income or the amount attributed to them, and the Fund should not be subject to Australian income tax.

In the case where the Fund makes a loss for Australian tax purposes, the Fund cannot distribute the tax loss to investors. However, the tax loss may be carried forward by the Fund for offset against taxable income of the Fund in subsequent years, subject to the operation of the trust loss rules.

#### Attribution Managed Investment Trust ("AMIT") – core rules

The Fund may qualify as an eligible Attribution Managed Investment Trust (AMIT), and if so, intends to elect into the AMIT regime. The AMIT legislation applies an attribution model whereby Equity Trustees as the Responsible Entity of the Fund attributes amounts of trust components of a particular character to investors on a fair and reasonable basis consistent with the operation of the Fund's Constitution, which includes provisions in relation to AMIT. Under the AMIT rules, the following will apply:

**Fair and reasonable attribution:** Each year, the Fund's determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) will be allocated to investors on a "fair and reasonable" attribution basis, rather than being allocated proportionally based on each investor's present entitlement to the income of the Fund.

**Unders or overs adjustments:** Where the Fund's determined trust components for a year are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains / losses or expenses), then unders and overs may arise. Unders and overs will generally be carried forward and adjusted in the year of discovery.

**Cost base adjustments:** Where the distribution made is less than (or more than) certain components attributed to investors, then the cost base of an investor's units may be increased (or decreased). Details of cost base adjustments will be included on an investor's annual tax statement, referred to as an AMIT Member Annual Statement ("AMMA").

**Large withdrawals:** In certain circumstances, gains may be attributed to a specific investor, for example, gains on disposal of assets to fund a large withdrawal being attributed to the redeeming investor.

**Penalties:** In certain circumstances (e.g. failure to comply with certain AMIT rules), specific penalties may be imposed.

The new rules are intended to reduce complexity, increase certainty and reduce compliance costs for managed investment trusts and their investors. Where the Fund does not elect into the AMIT regime, or has made the election but the election is not effective for the income year (e.g. the Fund does not satisfy the requirements to be a managed investment trust for the income year), the Tax Law applicable to non-AMITs should be relevant. In particular, the Fund should not generally pay tax on behalf of its investors and instead, investors should be assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled.

#### Deemed Capital Gains Tax ("CGT") Election

Eligible managed investment trusts ("MITs") may make an election to apply a deemed capital account treatment for gains and losses on disposal of certain eligible investments (including equities and units in other trusts but excluding Derivatives, debt securities and foreign exchange contracts). Where the election is made the Fund should hold its eligible investments on capital account and gains/(losses) from the disposal of eligible investments should be treated as capital gains/(losses). Capital gains arising on the disposal of eligible investments held for 12 months or greater may be eligible to be treated as discount capital gains.

Where the CGT election is not made, the Fund should hold its eligible investments on revenue account and gains/(losses) from the disposal of eligible investments should be treated as revenue gains or losses.

#### Controlled Foreign Company ("CFC") Provisions

There are certain tax rules (i.e. the CFC provisions) which may result in assessable income arising in the Fund in relation to investments in foreign equities, where certain control thresholds are met. If such interests were to be held at the end of the income year, the taxable income of the Fund may include a share of net income and gains (i.e. CFC attributable income) from such investments.

#### Taxation of Financial Arrangements ("TOFA")

The TOFA rules may apply to certain "financial arrangements" held by the Fund. In broad terms, the TOFA regime seeks to recognise "sufficiently certain" returns on certain financial arrangements on an accruals basis for tax purposes rather than on a realisation basis. Where returns from Derivative instruments are not "sufficiently certain" they will continue to be recognised on a realisation basis, unless specific tax timing elections are made.

#### Taxation Reform

The tax information included in this PDS is based on the taxation legislation and administrative practice as at the issue date of this PDS, together with proposed changes to the taxation legislation as announced by the Government. However, the Australian tax system is in a continuing state of reform, and based on the Government's reform agenda, it is likely to escalate rather than diminish. Any reform of a tax system creates uncertainty as to the full extent of announced reforms, or uncertainty as to the meaning of new law that is enacted pending interpretation through the judicial process. These reforms may impact on the tax position of the Fund and its investors. Accordingly, it will be

necessary to closely monitor the progress of these reforms, and investors should seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

#### **Tax File Number ("TFN") and Australian Business Number ("ABN")**

It is not compulsory for an investor to quote their TFN or ABN. If an investor is making this investment in the course of a business or enterprise, the investor may quote an ABN instead of a TFN. Failure by an investor to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate, plus the Medicare Levy, on gross payments including distributions or attribution of income to the investor. The investor may be able to claim a credit in their tax return for any TFN or ABN tax withheld. Collection of TFNs is permitted under taxation and privacy legislation.

By quoting their TFN or ABN, the investor authorises Equity Trustees to apply it in respect of all the investor's investments with Equity Trustees. If the investor does not want to quote their TFN or ABN for some investments, Equity Trustees should be advised.

#### **GST**

The Fund is registered for GST. The issue or withdrawal of units in the Fund and receipt of distributions are not subject to GST.

The Fund may be required to pay GST included in management and other fees, charges, costs and expenses incurred by the Fund. However, to the extent permissible, the Responsible Entity will claim on behalf of the Fund a proportion of this GST as a reduced input tax credit. Unless otherwise stated, fees and charges quoted in this PDS are inclusive of GST and take into account any available reduced input tax credits. The Fund may be entitled to as yet undetermined additional input tax credits on the fees, charges or costs incurred. If the Responsible Entity is unable to claim input tax credits on behalf of the Fund, the Responsible Entity retains the ability to recover the entire GST component of all fees and charges.

The impact of GST payments and credits will be reflected in the unit price of the Fund. Investors should seek professional advice with respect to the GST consequences arising from their unit holding.

#### **Australian Taxation of Australian Resident Investors**

##### *Distributions*

For each year of income, each Australian resident investor will be required to include within their own tax calculations and tax return filings the assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them by Equity Trustees as the Responsible Entity of the Fund.

The tax consequences for investors in the Fund depends on the tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them.

Investors will receive an Annual Tax Statement (or an "AMMA" for an AMIT) detailing all relevant taxation information concerning attributed amounts and cash distributions, including any Foreign Income Tax Offset ("FITO") and franking credit entitlements, returns of capital, assessable income, and any upwards or downwards cost base adjustment in the capital gains tax cost base of their units in the Fund (in the case of an AMIT).

An investor may receive their share of attributed tax components of the Fund or net income in respect of distributions made during the year or where they have made a large withdrawal from the Fund, in which case their withdrawal proceeds may include their share of net income or attributed tax components of assessable income, exempt income,

non-assessable non-exempt income and tax offsets (i.e. credits). In addition, because Australian investors can move into and out of the Fund at different points in time, there is the risk that taxation liabilities in respect of gains that have benefited past investors may have to be met by subsequent investors.

##### *Foreign Income*

The Fund may derive foreign source income that is subject to tax overseas, for example withholding tax. Australian resident investors should include their share of both the foreign income and the amount of the foreign tax withheld in their assessable income. In such circumstances, investors may be entitled to a FITO for the foreign tax paid, against the Australian tax payable on the foreign source income. To the extent the investors do not have sufficient overall foreign source income to utilise all of the FITOs relevant to a particular year of income, the excess FITOs cannot be carried forward to a future income year.

##### *Disposal of Units by Australian Resident Investors*

If an Australian resident investor transfers or redeems their units in the Fund, this may constitute a disposal for tax purposes depending on their specific circumstances.

Where an investor holds their units in the Fund on capital account, a capital gain or loss may arise on disposal and each investor should calculate their capital gain or loss according to their own particular facts and circumstances. As noted above, proceeds on disposal may include a component of distributable income. In calculating the taxable amount of a capital gain, a discount of 50% for individuals and trusts or 33 & 1/3% for complying Australian superannuation funds may be allowed where the units in the Fund have been held for 12 months or more. No CGT discount is available to corporate investors.

Any capital losses arising from the disposal of the investment may be used to offset other capital gains the investor may have derived. Net capital losses may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

The discount capital gains concession may be denied in certain circumstances where an investor (together with associates) holds 10% or more of the issued units of the Fund, the Fund has less than 300 beneficiaries and other requirements are met. Investors who together with associates are likely to hold more than 10% of the units in the Fund should seek advice on this issue.

#### **Australian Taxation of Non-Resident Investors**

##### *Tax on Income*

The Fund expects to derive income which may be subject to Australian withholding tax when attributed by Equity Trustees as the Responsible Entity of the Fund to non-resident investors.

Australian withholding tax may be withheld from distributions of Australian source income and gains attributed to a non-resident investor. The various components of the net income of the Fund which may be regarded as having an Australian source include Australian sourced interest, Australian sourced other gains, Australian sourced dividends and CGT taxable Australian property.

We recommend that non-resident investors seek independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant Double Taxation Agreement/Exchange of Information Agreement ("EOI") between Australia and their country of residence.

##### *Disposal of Units by Non-Resident Investors*

Based on the Fund's investment profile, generally non-resident investors holding their units on capital account should not be subject to Australian capital gains tax on the disposal of units in the Fund unless the units were capital assets held by the investor in carrying on a business through a permanent establishment in Australia. Australian tax may apply in certain circumstances if the

non-resident holds their units on revenue account. CGT may also apply in some cases where the Fund has a direct or indirect interest in Australian real property. We recommend that

non-resident investors seek independent tax advice in relation to the tax consequences of the disposal of their units.

## 11. Other important information

### Consent

The Investment Manager, Administrator and Custodians/Prime Brokers have given and, as at the date of this PDS, have not withdrawn:

- their written consent to be named in this PDS as the investment manager, administrator and custodian of the Fund respectively; and
- their written consent to the inclusion of the statements made about them and the Fund which are specifically attributed to them, in the form and context in which they appear.

The Investment Manager, Administrator and the Custodian have not otherwise been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. Neither the Investment Manager, the Administrator, the Custodian nor their employees or officers accept any responsibility arising in any way for errors or omissions, other than those statements for which it has provided its written consent to Equity Trustees for inclusion in this PDS.

### Constitution of the Fund

You will be issued units in the Fund when you invest. Subject to the rights, obligations and restrictions of a class, each unit represents an equal undivided fractional beneficial interest in the assets of the Fund as a whole subject to liabilities, but does not give you an interest in any particular property of the Fund.

Equity Trustees' responsibilities and obligations, as the responsible entity of the Fund, are governed by the Constitution as well as the Corporations Act and general trust law. The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Equity Trustees, as the responsible entity of the Fund, and investors. Some of the provisions of the Constitution are discussed elsewhere in this PDS.

Other provisions relate to an investor's rights under the Constitution, and include:

- an investor's right to share in any Fund income, and how we calculate it;
- what you are entitled to receive when you withdraw or if the Fund is wound up;
- an investor's right to withdraw from the Fund - subject to the times when we can cease processing withdrawals, such as if a Fund becomes 'illiquid';
- the nature of the units - identical rights attach to all units within a class; and
- an investor's rights to attend and vote at meetings – these provisions are mainly contained in the Corporations Act.

There are also provisions governing our powers and duties, including:

- how we calculate unit prices, the maximum amount of fees we can charge and expenses we can recover;
- when we can amend the Constitution - generally we can only amend the Constitution where we reasonably believe that the changes will not adversely affect investors' rights. Otherwise the Constitution can only be amended if approved at a meeting of investors;
- when we can retire as the Responsible Entity of the Fund - which is as permitted by law;
- when we can be removed as the Responsible Entity of the Fund - which is when required by law; and
- our broad powers to invest, borrow and generally manage the Fund.

The Constitution also deals with our liabilities in relation to the Fund and when we can be reimbursed out of the Fund's assets.

For example, we can be reimbursed for any liabilities we incur in connection with the proper performance of our powers and duties in respect of the Fund.

As mentioned above, Equity Trustees' responsibilities and obligations as the Responsible Entity of the Fund are governed by the Constitution of the Fund, the Corporations Act and general trust law, which require that we:

- act in the best interests of investors and, if there is a conflict between investors' interests and our own, give priority to investors;
- ensure the property of the Fund is clearly identified, held separately from other funds and our assets, and is valued regularly;
- ensure payments from the Fund's property are made in accordance with the Constitution and the Corporations Act; and
- report to ASIC any breach of the Corporations Act in relation to the Fund which has had, or is likely to have, a materially adverse effect on investors' interests.

Copies of the Constitution are available, free of charge, on request from Equity Trustees.

### Non-listing of units

The units in the Fund are not listed on any stock exchange and no application will be made to list the units in the Fund on any stock exchange.

### Termination of the Fund

The Responsible Entity may resolve at any time to terminate and liquidate the Fund (if it provides investors with notice) in accordance with the Constitution and the Corporations Act. Upon termination and after conversion of the assets of the Fund into cash and payment of, or provision for, all costs, expenses and liabilities (actual and anticipated), the net proceeds will be distributed pro-rata among all investors according to the number of units they hold in a class in the Fund.

### Our legal relationship with you

Equity Trustees' responsibilities and obligations, as the Responsible Entity of the Fund, are governed by the Constitution of the Fund, as well as the Corporations Act and general trust law. The Constitution of the Fund contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Equity Trustees, as the responsible entity of the Fund, and investors.

Equity Trustees may amend the Constitution if it considers that the amendment will not adversely affect investors' rights. Otherwise the Constitution may be amended by way of a special resolution of investors.

To the extent that any contract or obligation arises in connection with the acceptance by Equity Trustees of an application or reliance on this PDS by an investor, any amendment to the Constitution may vary or cancel that contract or obligation. Further, that contract or obligation may be varied or cancelled by a deed executed by Equity Trustees with the approval of a special resolution of investors, or without that approval if Equity Trustees considers the variation or cancellation will not materially adversely affect investor's rights.

A copy of the Constitution of the Fund is available, free of charge, on request from Equity Trustees.

## Compliance plan

Equity Trustees has prepared and lodged a compliance plan for the Fund with ASIC. The compliance plan describes the procedures used by Equity Trustees to comply with the Corporations Act and the Constitution of the Fund. Each year the compliance plan for the Fund is audited and the audit report is lodged with ASIC.

## Unit pricing discretions policy

Equity Trustees has developed a formal written policy in relation to the guidelines and relevant factors taken into account when exercising any discretion in calculating unit prices (including determining the value of assets and liabilities). A copy of the policy and, where applicable and to the extent required, any other relevant documents in relation to the policy (such as records of any discretions which are outside the scope of, or inconsistent with, the unit pricing policy) will be made available to investors free of charge on request.

## Indemnity

Equity Trustees, as the responsible entity of the Fund, is indemnified out of the Fund against all liabilities incurred by it in the proper performance of any of its powers or duties in relation to the Fund. To the extent permitted by the Corporations Act, this indemnity includes any liability incurred as a result of any act or omission of a delegate or agent appointed by the Responsible Entity. Subject to the law, Equity Trustees may retain or pay out from the assets of the Fund any sum necessary to affect such an indemnity.

## Anti-Money Laundering and Counter Terrorism Financing ("AML/CTF")

Australia's AML/CTF laws require Equity Trustees to adopt and maintain a written AML/CTF Program. A fundamental part of the AML/CTF Program is that Equity Trustees must hold up-to-date information about investors (including beneficial owner information) in the Fund.

To meet this legal requirement, we need to collect certain identification information (including beneficial owner information) and documentation ("KYC Documents") from new investors. Existing investors may also be asked to provide KYC Documents as part of an ongoing customer due diligence/verification process to comply with AML/CTF laws. If applicants or investors do not provide the applicable KYC Documents when requested, Equity Trustees may be unable to process an application, or may be unable to provide products or services to existing investors until such time as the information is provided.

In order to comply with AML/CTF Laws, Equity Trustees may also disclose information including your personal information that it holds about the applicant, an investor, or any beneficial owner, to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether inside or outside Australia). Equity Trustees may be prohibited by law from informing applicants or investors that such reporting has occurred.

Equity Trustees and the Investment Manager shall not be liable to applicants or investors for any loss you may suffer because of compliance with the AML/CTF laws.

## Common Reporting Standard ("CRS")

The CRS is developed by the Organisation of Economic Co-operation and Development and requires certain financial institutions resident in a participating jurisdiction to document and identify reportable accounts and implement due diligence procedures. These financial institutions will also be required to report certain information on reportable accounts to their relevant local tax authorities.

Australia signed the CRS Multilateral Competent Authority Agreement and has enacted provisions within the domestic tax legislation to implement CRS in Australia. Australian financial institutions need to document and identify reportable accounts, implement due diligence procedures and report certain information with respect to reportable accounts to the ATO. The ATO may then exchange this information with foreign tax authorities in the relevant signatory countries.

In order to comply with the CRS obligations, we may request certain information from you. Unlike FATCA, there is no withholding tax that is applicable under CRS.

## Information on underlying investments

Information regarding the underlying investments of the Fund will be provided to an investor of the Fund on request, to the extent Equity Trustees is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

## Indirect Investors

You may be able to invest indirectly in the Fund via an IDPS by directing the IDPS Operator to acquire units on your behalf. If you do so, you will need to complete the relevant forms provided by the IDPS Operator and not the Application Form accompanying the PDS. This will mean that you are an Indirect Investor in the Fund and not an investor or member of the Fund. Indirect Investors do not acquire the rights of an investor (except in relation to access to Equity Trustee's complaints resolution process – see Section 8) as such rights are acquired by the IDPS Operator who may exercise, or decline to exercise, these rights on your behalf.

Indirect Investors do not receive reports or statements from us and the IDPS Operator's application and withdrawal conditions determine when you can direct the IDPS Operator to apply or redeem. Your rights as an Indirect Investor should be set out in the IDPS Guide or other disclosure document issued by the IDPS Operator.

## Foreign Account Tax Compliance Act ("FATCA")

In April 2014, the Australian Government signed an intergovernmental agreement ("IGA") with the United States of America ("U.S."), which requires all Australian financial institutions to comply with the FATCA Act enacted by the U.S. in 2010.

Under FATCA, Australian financial institutions are required to collect and review their information to identify U.S. residents and U.S. controlling persons that invest in assets through non-U.S. entities. This information is reported to the Australian Taxation Office ("ATO"). The ATO may then pass that information onto the U.S. Internal Revenue Service.

In order to comply with the FATCA obligations, we may request certain information from you. Failure to comply with FATCA obligations may result in the Fund, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. If the Fund suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, we will not be required to compensate investors for any such withholding and the effect of the amounts withheld will be reflected in the returns of the Fund.

## Your privacy

The Australian Privacy Principles contained in the Privacy Act 1988 (Cth) ("Privacy Act") regulate the way in which we collect, use, disclose, and otherwise handle your personal information. Equity Trustees is committed to respecting and protecting the privacy of your personal information, and our Privacy Policy details how we do this.

It is important to be aware that, in order to provide our products and services to you, Equity Trustees may need to collect personal information about you and any other individuals associated with the product or service offering. In addition to practical reasons, this is necessary to ensure compliance with our legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and taxation legislation). If you do not provide the information requested, we may not be able to process your application, administer, manage, invest, pay or transfer your investment(s).

You must therefore ensure that any personal information you provide to Equity Trustees is true and correct in every detail. If any of this personal information (including your contact details) changes, you must promptly advise us of the changes in writing. While we will generally collect your personal information from you, your broker or adviser or the Investment Manager and Administrator directly, we may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

In terms of how we deal with your personal information, Equity Trustees will use it for the purpose of providing you with our products and services and complying with our regulatory obligations. Equity Trustees may also disclose it to other members of our corporate group, or to third parties who we work with or engage for these same purposes. Such third parties may be situated in Australia or offshore, however we take reasonable steps to ensure that they will comply with the Privacy Act when collecting, using or handling your personal information.

The types of third parties that we may disclose your information to include, but are not limited to:

- stockbrokers, financial advisers or adviser dealer groups, their service providers and/or any joint holder of an investment;
- those providing services for administering or managing the Fund, including the Investment Manager, Custodian and Administrator, auditors, or those that provide mailing or printing services;
- our other service providers;
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC; and
- other third parties who you have consented to us disclosing your information to, or to whom we are required or permitted by law to disclose information to.

Equity Trustees or the Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to “opt out” of such communications by contacting us using the contact details below. In addition to the above information, Equity Trustees’ Privacy Policy contains further information about how we handle your personal information, and how you can access information held about you, seek a correction to that information, or make a privacy-related complaint. Full details of Equity Trustees’ Privacy Policy are available at [www.eqt.com.au](http://www.eqt.com.au). You can also request a copy of the Policy by contacting Equity Trustees’ Privacy Officer on +61 3 8623 5000 or by email to [privacy@eqt.com.au](mailto:privacy@eqt.com.au).

## 12. Glossary of important terms

### **Administrator**

Apex Fund Services (Australia) Pty Ltd

### **AFSL**

Australian Financial Services Licence.

### **Application Form**

The Application Form that accompanies this PDS.

### **ARSN**

668 390 994

### **ASIC**

Australian Securities and Investments Commission

### **Application Form**

The Application Form that accompanies the PDS.

### **ASIC**

Australian Securities and Investments Commission.

### **ATO**

Australian Taxation Office.

### **AUSTRAC**

Australian Transaction Reports and Analysis Centre.

### **Business Day**

A day other than Saturday or Sunday on which banks are open for general banking business in Sydney.

### **Buy/Sell Spread**

The difference between the application price and withdrawal price of units in the Fund, which reflects the estimated transaction costs associated with buying or selling the assets of the Fund, when investors invest in or withdraw from the Fund.

### **Constitution**

The document which describes the rights, responsibilities and beneficial interest of both investors and the Responsible Entity in relation to the Fund, as amended from time to time.

### **Corporations Act**

The Corporations Act 2001 and Corporations Regulations 2001 (Cth), as amended from time to time.

### **Derivative**

A financial contract whose value is based on, or derived from, an asset class such as shares, interest rates, currencies or currency exchange rates and commodities. Common derivatives include options, futures and forward exchange contracts.

### **Equity Trustees**

Equity Trustees Limited (ABN 46 004 031 298) which holds an AFSL No. 240975.

### **Fund**

ALC Global Credit Fund

### **Fund Benchmark**

RBA Cash Rate plus 2.5% per annum after fees and expenses over a period of 3 – 5 years.

### **ARSN**

668 390 994

### **Gross Asset Value (GAV)**

In relation to the Fund at a valuation time, the sum of the value of the assets.

### **GST**

Goods and Services Tax.

### **Indirect Investors**

Individuals who invest in the Fund through an IDPS.

### **Investment Manager**

AL Capital Holding Pty Ltd.

### **Net Asset Value (NAV)**

Value of the investments of the Fund after deducting certain liabilities including income entitlements and contingent liabilities.

### **PDS**

This Product Disclosure Statement, issued by Equity Trustees.

### **Responsible Entity**

Equity Trustees Limited.

### **Retail Client**

Persons or entities defined as such under section 761G of the Corporations Act.

### **Reserve Bank**

Reserve Bank of Australia

### **RITC**

Reduced Input Tax Credit. Equity Trustees will apply for reduced input tax credits where applicable to reduce the cost of GST to the Fund.

### **US Person**

A person so classified under securities or tax law in the United States of America ("US") including, in broad terms, the following persons:

(a) any citizen of, or natural person resident in, the US, its territories or possessions; or

(b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or

(c) any agency or branch of a foreign entity located in the US; or

(d) a pension plan primarily for US employees of a US Person; or

(e) a US collective investment vehicle unless not offered to US Persons; or

(f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

(g) any Fund of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or

(h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or

(i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

### **Wholesale Client**

Person or entity which is not a Retail Client.



# ALC GLOBAL CREDIT FUND APPLICATION FORM

This application form accompanies the Product Disclosure Statement (PDS)/Information Memorandum (IM) relating to units in the following product/s issued by Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975). The PDS/IM contains information about investing in the Fund/Trust. You should read the PDS/IM in its entirety before applying.

- ALC Global Credit Fund

The law prohibits any person passing this Application Form on to another person unless it is accompanied by a complete PDS/IM.

- If completing by hand, use a black or blue pen and print within the boxes in BLOCK LETTERS, if you make a mistake, cross it out and initial. DO NOT use correction fluid
- The investor(s) must complete and sign this form
- Keep a photocopy of your completed Application Form for your records

U.S. Persons: This offer is not open to any U.S. Person. Please refer to the PDS/IM for further information.

## **Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)**

We are required to collect certain information to comply with FATCA and CRS, please ensure you complete section 7.

### **If investing with an authorised representative, agent or financial adviser**

Please ensure you, your authorised representative, agent and/or financial adviser also complete Section 6.

### **Provide certified copies of your identification documents**

Please refer to section 9 on AML/CTF Identity Verification Requirements.

### **Send your documents & make your payment**

See section 2 for payment options and where to send your application form.

## SECTION 1 – YOUR CONSUMER ATTRIBUTES

In relation to our Design and Distribution Obligations (DDO) under the Corporations Act, we seek the following information about your attributes as an investor (please tick only 1 box for each question below)

Further information in relation to these questions can be found in the Target Market Determination (TMD) for the Fund. If you wish to access the TMD, please visit <https://www.eqt.com.au/insto/>

### 1. Have you received advice prior to applying to invest in the Fund?

I/We have received personal advice in relation to my investment in this Fund

I/We have received general advice in relation to my investment in this Fund

I/We have not received any advice in relation to my investment in this Fund

### 2. What is your primary investment objective(s)?

Capital growth

Capital preservation

Capital guaranteed

Income Distribution

### 3. Please select the intended use of this Fund in your investment portfolio

Solution/Standalone – A large allocation (75%-100% of portfolio)

Core component – A medium allocation (25%-75% of portfolio)

Satellite/Small Allocation – A small allocation (<25% of portfolio)

### 4. Please select the Intended investment timeframe

Short term (<=2 years)

Medium term (>2 years)

Long term (>8 years)

### 5. What is your tolerance for risk?

Low - I/we can tolerate up to 1 period of underperformance over 20 years

Medium - I/we can tolerate up to 4 periods of underperformance over 20 years

High - I/we can tolerate up to 6 periods of underperformance over 20 years

Very High - I/we can tolerate more than 6 periods of underperformance over 20 years

### 6. What do you anticipate your withdrawal needs may be?

Daily

Weekly

Monthly

Quarterly

Annually or longer

#### Please note:

1. Failure to complete the above questions may result in your application not being accepted;
2. Acceptance of your application should not be taken as a representation or confirmation that an investment in the Fund is, or is likely to be, consistent with your intentions, objectives and needs as indicated in your responses to these questions; and
3. For further information on the suitability of this product, please refer to your financial adviser and/or the TMD

## SECTION 1.2 – ARE YOU AN EXISTING INVESTOR IN THE FUND/TRUST AND WISH TO ADD TO YOUR INVESTMENT?

Do you have an existing investment in the Fund/Trust and the information provided remains current and correct?

- Yes**, if you can tick both of the boxes below, complete Sections 2 and 8
- I/We confirm there are no changes to our identification documents previously provided and that these remain current and valid.
- I/We confirm there have been no changes to our FATCA or CRS status

Existing investor number:

If there have been changes in your identification documents or FATCA/CRS status since your last application, please complete the full Application Form as indicated below.

- No**, please complete sections relevant to you as indicated below:

### Investor Type:

- Individuals/Joint:** complete section 2, 3, 6 (if applicable), 7, 8 & 9
- Companies:** complete section 2, 4, 6 (if applicable), 7, 8 & 9
- Custodians on behalf of underlying clients:** complete section 2, 4, 5, 5.1, 6 (if applicable), 7, 8 & 9
- Trusts/superannuation funds:**
- with an individual trustee – complete sections 2, 3, 5, 6 (if applicable), 7, 8 & 9
  - with a company as a trustee – complete sections 2, 4, 5, 6 (if applicable), 7, 8 & 9

If you are an Association, Co-operative, Partnership, Government Body or other type of entity not listed above, please contact Equity Trustees.

## SECTION 2 – INVESTMENT DETAILS

Investment to be held in the name(s) of (must include name(s) of investor(s))

Postal address

Suburb

State

Postcode

Country

Email address

Contact no.

FUND/TRUST NAME	APIR CODE	APPLICATION AMOUNT (AUD)
ALC Global Credit Fund	ETL3247AU	\$

The minimum initial investment is \$50,000

### Distribution Instructions

If you do not select a distribution option, we will automatically reinvest your distribution. If you select cash, please ensure you provide your bank details below.

- Reinvest distributions** if you select this option your distribution will be reinvested in the Fund/Trust
- Pay distributions to the bank** if you select this option your distribution will be paid to the bank account below

### Investor bank details

For withdrawals and distributions (if applicable), these must match the investor(s)' name and must be an AUD-denominated bank account with an Australian domiciled bank.

Financial institution name and branch location

BSB number

Account number

Account name

### Payment method

Direct credit – pay to:

Financial institution name and branch location	National Australia Bank
BSB number	082-401
Account number	902922012
Account name	EQUITY TRUSTEES LIMITED AS RE FOR ALC GLOBAL CREDIT FUND APPLICATION ACCOUNT
Reference	Please include investor name

## Source of investment

Please indicate the source of the investment amount (e.g. retirement savings, employment income):

### Send your completed Application Form to:

Apex Fund Services Pty Ltd  
PO Box 189, Flinders Lane  
Melbourne VIC 8009  
Phone: 02 7201 9015

Fax: 02 9475 1417

Email: [SSG.AUS@apexgroup.com](mailto:SSG.AUS@apexgroup.com)

**Please ensure you have completed all relevant sections and signed the Application Form**

**SECTION 3 – INVESTOR DETAILS – INDIVIDUALS/JOINT**

Please complete if you are investing individually, jointly or you are an individual or joint trustee.

**See Group A AML/CTF Identity Verification Requirements in Section 9****Investor 1**

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Email address**

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

Date of birth (DD/MM/YYYY)

 /  / 

Tax File Number\* – or exemption code

Country of birth

Occupation

Does the investor named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

No

Yes, please give details:

**Investor 2**

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Email address**

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

Date of birth (DD/MM/YYYY)

 /  / 

Tax File Number\* – or exemption code

Country of birth

Occupation

Does the investor named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

 No

Yes, please give details:

If there are more than 2 registered owners, please provide details as an attachment.

## SECTION 4 – INVESTOR DETAILS – COMPANIES/CORPORATE TRUSTEE

Please complete if you are investing for a company or where the company is acting as trustee.

See Group B AML/CTF Identity Verification Requirements in Section 9

Full company name (as registered with ASIC or relevant foreign registered body)

Registered office address (not a PO Box/RMB/Locked Bag)

Suburb

State

Postcode

Country

Australian Company Number

Tax File Number\* – or exemption code

Australian Business Number\* (if registered in Australia) or equivalent foreign company identifier

### Contact Person

Title

First name(s)

Surname

Email address

(Statements will be sent to this address, unless you elect otherwise in Section 6)

Contact no.

**Principal place of business:** If the principal place of business is the same as the registered office street address, state 'As above' below. Otherwise provide address details. For foreign companies registered with ASIC please provide a local agent name and address if you do not have a principal place of business in Australia.

**Principal Place of Business Address (not a PO Box/RMB/Locked Bag)**

Suburb

State

Postcode

Country

### Registration details

Name of regulatory body

Identification number (e.g. ARBN)

### Controlling Persons, Directors and Beneficial Owners

All beneficial owners who own, hold or control either directly or indirectly 25% or more of the issued capital of a proprietary or private company that is not regulated i.e. does not have an AFSL or ACLN etc., will need to provide Group A AML/CTF Identity Verification Requirements specified in Section 9. In the case of an unregulated public company not listed on a securities exchange, provide the details of the senior managing official(s) as controlling person(s) (e.g. managing director, senior executive(s) etc. who is/are authorised to sign on the company's behalf, and make policy, operational and financial decisions) in the following sections. All proprietary and private companies, whether regulated or unregulated, must provide the names of all of the directors.

**Names of the Directors of a Proprietary or Private Company whether regulated or unregulated**

1	2
3	4

If there are more than 4 directors, please write the other names below.

**Names of the Beneficial Owners or Senior Managing Official(s)**

**Select:**

- Beneficial owner 1 of an unregulated proprietary or private company; OR
- Senior Managing Official of an unregulated, unlisted, public (e.g. Limited) company

Title	First name(s)	Surname

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country

Date of birth (DD/MM/YYYY)

//

Does the beneficial owner named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

- No
- Yes, please give details:

**Select:**

- Beneficial owner 2 of an unregulated proprietary or private company; OR
- Senior Managing Official of an unregulated, unlisted, public (e.g. Limited) company

Title	First name(s)	Surname

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country

Date of birth (DD/MM/YYYY)

//

Does the beneficial owner named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

- No
- Yes, please give details:

**If there are more than 2 beneficial owners or managing officials, please copy and complete this page for the other persons or alternatively, provide the additional details as an attachment.**

## SECTION 5 – INVESTOR DETAILS – TRUSTS/SUPERANNUATION FUNDS

Please complete if you are investing for a trust or superannuation fund.

**See Group C AML/CTF Identity Verification Requirements in section 9**

Full name of trust or superannuation fund

Full name of business (if any)

Country where established

Australian Business Number\* (if obtained)

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Tax File Number\* – or exemption code

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Trustee details – How many trustees are there?

- Individual trustee(s)** – complete Section 3 – Investor details – Individuals/Joint
- Company trustee(s)** – complete Section 4 – Investor details – Companies/Corporate Trustee
- Combination** – trustee(s) to complete each relevant section

### Type of Trust

- Registered Managed Investment Scheme**

Australian Registered Scheme Number (ARSN)

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- Regulated Trust** (including self-managed superannuation funds and registered charities that are trusts)

Name of Regulator (e.g. ASIC, APRA, ATO, ACNC)

Registration/Licence details or ABN

- Other Trust** (unregulated)

Please describe

#### Beneficiaries of an unregulated trust

Please provide details below of any beneficiaries who directly or indirectly are entitled to an interest of 25% or more of the trust.

1	2
3	4

If there are no beneficiaries of the trust, describe the class of beneficiary (e.g. the name of the family group, class of unit holders, the charitable purpose or charity name):

**Other Trust** (unregulated) Continued

**Settlor details**

Please provide the full name and last known address of the settlor of the trust where the initial asset contribution to the trust was greater than \$10,000.

- This information is not required if the initial asset contribution was less than \$10,000, and/or
- This information is not required if the settlor is deceased

Settlor's full name and last known address


Beneficial owners of an unregulated trust

Please provide details below of any beneficial owner of the trust. A beneficial owner is any individual who directly or indirectly has a 25% or greater interest in the trust or is a person who exerts control over the trust. This includes the appointer of the trust who holds the power to appoint or remove the trustees of the trust.

**All beneficial owners will need to provide Group A AML/CTF Identity Verification Requirements in Section 9**

**Beneficial owner 1 or Controlling Person 1**

Select:

- Beneficial owner 1; OR

- Controlling Person – What is the role e.g. Appointer:

Title

First name(s)

Surname




Residential address (not a PO Box/RMB/Locked Bag)

Suburb

State

Postcode

Country





Date of birth (DD/MM/YYYY)

 /  / 

Does the beneficial owner named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

- No
- Yes, please give details:

**Beneficial owner 2 or Controlling Person 2**

Select:

- Beneficial owner 2; OR

- Controlling Person – What is the role e.g. Appointer:

Title

First name(s)

Surname




Residential address (not a PO Box/RMB/Locked Bag)

Suburb

State

Postcode

Country





Date of birth (DD/MM/YYYY)

 /  /

Does the beneficial owner named above hold a prominent public position or function in a government body (local, state, territory, national or foreign) or in an international organisation or are you an immediate family member or a business associate of such a person?

No  Yes, please give details:

**If there are more than 2 beneficial owners or controlling persons, please copy and complete this page for the other persons or alternatively, provide the additional details as an attachment.**

## **SECTION 5.1 – CUSTODIAN ATTESTATION: CHAPTER 4, PARTS 4.4.18 AND 4.4.19 OF THE AML/CTF RULES**

**If you are a Company completing this Application Form on behalf of an individual, another company, a trust or other entity, in a Custodial capacity, please complete this section.**

In accordance with Chapter 4, part 4.4.19 (1)(a) to (d) of the AML/CTF Rules, does the Custodian meet the definition (see 'Section 10 – Glossary') of a Custodian?

No  Yes

In accordance with Chapter 4, part 4.4.19 (e) of the AML/CTF Rules, do you, in your capacity as Custodian attest that prior to requesting this designated service from Equity Trustees, it has carried out and will continue to carry out, all applicable customer identification procedures on the underlying account holder named or to be named in the Fund's register, including conducting ongoing customer due diligence requirements in accordance with Chapter 15 of the AML/CTF Rules?

No  Yes

If you answered YES to all of the above questions, then Equity Trustees is able to apply the Chapter 4, part 4.4 Custodian rules to this account and will rely upon the customer due diligence conducted by the Custodian on the underlying account holder named or to be named in the Fund's register.

If requested to do so at any time after the provision of this designated service, the Custodian agrees to honour any reasonable request made by Equity Trustees for information or evidence about the underlying account holder in order to allow Equity Trustees to meet its obligations under the AML/CTF Act.

No  Yes

Excepting the below circumstances where the custodian answered NO or did not complete any of the above questions, no other information about the underlying account holder is required to be collected. However, further information about you as the Custodian and as a company is required to be collected and verified as required by the AML/CTF rules. Please complete the rest of this form for the Custodian.

### **Excepting circumstances:**

If you answered NO or did not complete any of the above questions, then we are unable to apply the Chapter 4, part 4.4 Custodian rules to this application. We are therefore obligated to conduct full Know Your Client procedures on the underlying account holder named or to be named in the Fund's register including any named nominee, as well as the trustees, beneficial owners and controlling persons of the underlying named account in addition to the Custodian. Therefore, please complete the relevant forms and provide identity documents for all parties connected to this account.

## SECTION 6 – AUTHORISED REPRESENTATIVE, AGENT AND/OR FINANCIAL ADVISER

Please complete if you are appointing an authorised representative, agent and/or financial adviser.

**See Group D AML/CTF Identity Verification Requirements in Section 9**

- I am an **authorised representative or agent** as nominated by the investor(s)

You must attach a valid authority such as Power of Attorney, guardianship order, grant of probate, appointment of bankruptcy etc. that is a certified copy. The document must be current and complete, signed by the investor or a court official and permits the authorised representative or agent to transact on behalf of the investor.

Full name of authorised representative or agent

Role held with investor(s)

Signature

Date



- I am a **financial adviser** as nominated by the investor

Name of adviser

AFSL number



Dealer group

Name of advisory firm



Postage address

Suburb

State

Postcode

Country





Email address

Contact no.



### Financial Advice (only complete if applicable)

- The investor has received personal financial product advice in relation to this investment from a licensed financial adviser and that advice is current.

### Financial Adviser Declaration

- I/We hereby declare that I/we are not a US Person as defined in the PDS/IM.
- I/We hereby declare that the investor is not a US Person as defined in the PDS/IM.
- I/We have attached the relevant CIP documents;

Signature

Date

## Access to information

Unless you elect otherwise, your authorised representative, agent and/or financial adviser will also be provided access to your investment information and/or receive copies of statements and transaction confirmations. By appointing an authorised representative, agent and/or financial adviser you acknowledge that you have read and agreed to the terms and conditions in the PDS/IM relating to such appointment.

- Please tick this box if you DO NOT want your authorised representative, agent and/or financial adviser to have access to information about your investment.
- Please tick this box if you DO NOT want copies of statements and transaction confirmations sent to your authorised representative, agent and/or financial adviser.
- Please tick this box if you want statements and transaction confirmations sent ONLY to your authorised representative, agent and/or financial adviser.

## SECTION 7 – FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA), COMMON REPORTING STANDARD (CRS) SELF-CERTIFICATION FORM – ALL INVESTORS MUST COMPLETE

### Sub-Section I – Individuals

Please fill this Sub-Section I only if you are an individual. If you are an entity, please fill Sub-Section II.

#### 1. Are you a US tax resident (e.g. US citizen or US resident)?

- Yes: provide your US Taxpayer Identification Number (TIN) and continue to question 2

Investor 1

Investor 2


- No: continue to question 2

#### 2. Are you a tax resident of any other country outside of Australia?

- Yes: state each country and provide your TIN or equivalent (or Reason Code if no TIN is provided) for each jurisdiction below and skip to question 12

##### Investor 1

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

##### Investor 2

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

*If more space is needed please provide details as an attachment.*

- No: skip to question 12

#### Reason Code:

If TIN or equivalent is not provided, please provide reason from the following options:

- Reason A: The country/jurisdiction where the investor is resident does not issue TINs to its residents.
- Reason B: The investor is otherwise unable to obtain a TIN or equivalent number (Please explain why the investor is unable to obtain a TIN in the below table if you have selected this reason).
- Reason C: No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

If Reason B has been selected above, explain why you are not required to obtain a TIN:

	Reason B explanation
Investor 1	
Investor 2	

## Sub-Section II – Entities

Please fill this Sub-Section II only if you are an entity. If you are an individual, please fill Sub-Section I.

### 3. Are you an Australian complying superannuation fund?

- Yes: skip to question 12
- No: continue to question 4

## FATCA

### 4. Are you a US Person?

- Yes: continue to question 5
- No: skip to question 6

### 5. Are you a Specified US Person?

- Yes: provide your TIN below and skip to question 7

- No: indicate exemption type and skip to question 7

### 6. Are you a Financial Institution for the purposes of FATCA?

- Yes: provide your Global Intermediary Identification Number (GIIN)

If you do not have a GIIN, please provide your FATCA status below and then continue to question 7. If you are a sponsored entity, please provide your GIIN above and your sponsor's details below and then continue to question 7.

- Exempt Beneficial Owner, provide type below:

- Deemed-Compliant FFI (other than a Sponsored Investment Entity or a Trustee Documented Trust), provide type below:

- Non-Participating FFI, provide type below:

- Sponsored Entity. Please provide the Sponsoring Entity's name and GIIN:


- Trustee Documented Trust. Please provide your Trustee's name and GIIN:


- Other, provide details:

- No: continue to question 7

**CRS****7. Are you a tax resident of any country outside of Australia and the US?**

- Yes: state each country and provide your TIN or equivalent (or Reason Code if no TIN is provided) for each jurisdiction below and continue to question 8

**Investor 1**

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

**Investor 2**

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

*If more space is needed please provide details as an attachment.*

**Reason Code:**

If TIN or equivalent is not provided, please provide reason from the following options:

- Reason A: The country/jurisdiction where the investor is resident does not issue TINs to its residents.
- Reason B: The investor is otherwise unable to obtain a TIN or equivalent number (Please explain why the investor is unable to obtain a TIN in the below table if you have selected this reason).
- Reason C: No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

If Reason B has been selected above, explain why you are not required to obtain a TIN:

	Reason B explanation
Investor 1	
Investor 2	

- No: continue to question 8

**8. Are you a Financial Institution for the purpose of CRS?**

- Yes: specify the type of Financial Institution below and continue to question 9

- Reporting Financial Institution
- Non-Reporting Financial Institution:
- Trustee Documented Trust
- Other: please specify:

--

- No: skip to question 10

**9. Are you an investment entity resident in a non-participating jurisdiction for CRS purposes and managed by another financial Institution?**

- Yes: skip to question 11
- No: skip to question 12

## Non-Financial Entities

### 10. Are you an Active Non-Financial Entity (Active NFE)?

- Yes: specify the type of Active NFE below and skip to question 12:
- Less than 50% of the entity's gross income from the preceding calendar year is passive income (e.g. dividends, distribution, interests, royalties and rental income) and less than 50% of its assets during the preceding calendar year are assets held for the production of passive income
- Corporation that is regularly traded or a related entity of a regularly traded corporation
- Provide name of Listed Entity:
- and exchange on which traded:
- Governmental Entity, International Organisation or Central Bank
- Other: please specify:
- No: you are a Passive Non-Financial Entity (Passive NFE). Continue to question 11

## Controlling Persons

### 11. Does one or more of the following apply to you:

- Is any natural person that exercises control over you (for corporations, this would include directors or beneficial owners who ultimately own 25% or more of the share capital) a tax resident of any country outside of Australia?
- If you are a trust, is any natural person including trustee, protector, beneficiary, settlor or any other natural person exercising ultimate effective control over the trust a tax resident of any country outside of Australia?
- Where no natural person is identified as exercising control of the entity, the controlling person will be the natural person(s) who holds the position of senior managing official.

- Yes. provide controlling person information below:

#### Controlling person 1

Title	First name(s)	Surname	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Residential address (not a PO Box/RMB/Locked Bag)			
<input type="text"/>			
Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of birth (DD/MM/YYYY)	<input type="text"/>	/	<input type="text"/>
	<input type="text"/>	/	<input type="text"/>

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

**Controlling person 2**

Title	First name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address (not a PO Box/RMB/Locked Bag)

Suburb	State	Postcode	Country
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Date of birth (DD/MM/YYYY)  /  / 

Country/Jurisdiction of tax residence	TIN	If no TIN available enter Reason A, B or C
1		
2		

*If there are more than 2 controlling persons, please provide details as an attachment.*

**Reason Code:**

If TIN or equivalent is not provided, please provide reason from the following options:

- Reason A: The country/jurisdiction where the investor is resident does not issue TINs to its residents.
- Reason B: The investor is otherwise unable to obtain a TIN or equivalent number (Please explain why the investor is unable to obtain a TIN in the below table if you have selected this reason).
- Reason C: No TIN is required. (Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

If Reason B has been selected above, explain why you are not required to obtain a TIN:

	Reason B explanation
Investor 1	
Investor 2	

No: continue to question 12

**12. Signature and Declaration – ALL investors must sign**

I undertake to provide a suitably updated self-certification within 30 days of any change in circumstances which causes the information contained herein to become incorrect.

I declare the information above to be true and correct.

**Investor 1**

Name of individual/entity

Name of authorised representative

Signature

Date

**Investor 2**

Name of individual/entity

Name of authorised representative

Signature

Date

## SECTION 8 – DECLARATIONS – ALL INVESTORS MUST COMPLETE

In most cases the information that you provide in this form will satisfy the AML/CTF Act, the US Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS). However, in some instances the Responsible Entity may contact you to request further information. It may also be necessary for the Responsible Entity to collect information (including sensitive information) about you from third parties in order to meet its obligations under the AML/CTF Act, FATCA and CRS.

### When you complete this Application Form you make the following declarations:

- I/We have received the PDS/IM and made this application in Australia (and/or New Zealand for those offers made in New Zealand).
- I/We have read the PDS/IM to which this Application Form applies and agree to be bound by the terms and conditions of the PDS/IM and the Constitution of the relevant Fund/Trust in which I/we have chosen to invest.
- I/we have carefully considered the features of Fund/Trust as described in the PDS (including its investment objectives, minimum suggested investment timeframe, risk level, withdrawal arrangements and investor suitability) and, after obtaining any financial and/or tax advice that I/we deemed appropriate, am/are satisfied that my/our proposed investment in the Fund/Trust is consistent with my/our investment objectives, financial circumstances and needs.\*
- I/We have considered our personal circumstances and, where appropriate, obtained investment and/or taxation advice.
- I/We hereby declare that I/we are not a US Person as defined in the PDS/IM.
- I/We acknowledge that (if a natural person) I am/we are 18 years of age or over and I am/we are eligible to hold units in the Fund/Trust in which I/we have chosen to invest.
- I/We acknowledge and agree that Equity Trustees has outlined in the PDS/IM provided to me/us how and where I/we can obtain a copy of the Equity Trustees Group Privacy Statement.
- I/We consent to the transfer of any of my/our personal information to external third parties including but not limited to fund administrators, fund investment manager(s) and related bodies corporate who are located outside Australia for the purpose of administering the products and services for which I/we have engaged the services of Equity Trustees or its related bodies corporate and to foreign government agencies for reporting purposes (if necessary).
- I/we hereby confirm that the personal information that I/we have provided to Equity Trustees is correct and current in every detail, and should these details change, I/we shall promptly advise Equity Trustees in writing of the change(s).
- I/We agree to provide further information or personal details to the Responsible Entity if required to meet its obligations under anti-money laundering and counter-terrorism legislation, US tax legislation or reporting legislation and acknowledge that processing of my/our application may be delayed and will be processed at the unit price applicable for the Business Day as at which all required information has been received and verified.
- If I/we have provided an email address, I/we consent to receive ongoing investor information including PDS/IM information, confirmations of transactions and additional information as applicable via email.
- I/We acknowledge that Equity Trustees does not guarantee the repayment of capital or the performance of the Fund/Trust or any particular rate of return from the Fund/Trust.
- I/We acknowledge that an investment in the Fund/Trust is not a deposit with or liability of Equity Trustees and is subject to investment risk including possible delays in repayment and loss of income or capital invested.
- I/We acknowledge that Equity Trustees is not responsible for the delays in receipt of monies caused by the postal service or the investor's bank.
- If I/we lodge a fax application request, I/we acknowledge and agree to release, discharge and agree to indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from any fax application.
- If I/we have completed and lodged the relevant sections on authorised representatives, agents and/or financial advisers on the Application Form then I/we agree to release, discharge and indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from Equity Trustees acting on the instructions of my/our authorised representatives, agents and/or financial advisers.
- If this is a joint application each of us agrees that our investment is held as joint tenants.
- I/We acknowledge and agree that where the Responsible Entity, in its sole discretion, determines that:
  - I/we are ineligible to hold units in a Fund/Trust or have provided misleading information in my/our Application Form; or
  - I/we owe any amounts to Equity Trustees, then I/we appoint the Responsible Entity as my/our agent to submit a withdrawal request on my/our behalf in respect of all or part of my/our units, as the case requires, in the Fund/Trust.
- **For Wholesale Clients\*** – I/We acknowledge that I am/we are a Wholesale Client (as defined in Section 761G of the Corporations Act 2001 (Cth)) and are therefore eligible to hold units in the Fund/Trust.
- **For New Zealand applicants\*** – I/we have read the terms of the offer relating to New Zealand investors, including the New Zealand warning statement.
- **For New Zealand Wholesale Investors\*** – I/We acknowledge and agree that:
  - I/We have read the “New Zealand Wholesale Investor Fact Sheet” and PDS/IM or “New Zealand Investors: Selling Restriction” for the Fund/Trust;
  - I am/We are a Wholesale Investor and am/are therefore eligible to hold units in the Fund/Trust; and
  - I/We have not:

- Offered, sold, or transferred, and will not offer, sell, or transfer, directly or indirectly, any units in the Fund/Trust;
  - Granted, issued, or transferred, and will not grant, issue, or transfer, any interests in or options over, directly or indirectly, any units in the Fund/Trust; and
  - Distributed and will not distribute, directly or indirectly, the PDS/IM or any other offering materials or advertisement in relation to any offer of units in the Fund/Trust, in each case in New Zealand, other than to a person who is a Wholesale Investor; and
- I/We will notify Equity Trustees if I/we cease to be a Wholesale Investor; and
  - I/We have separately provided a signed Wholesale Investor Certification located at the end of this Application Form.

All references to Wholesale Investor in this Declaration are a reference to Wholesale Investor in terms of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand).

\* Disregard if not applicable.

**\*Terms and conditions for collection of Tax File Numbers (TFN) and Australian Business Numbers (ABN)**

Collection of TFN and ABN information is authorised and its use and disclosure strictly regulated by tax laws and the Privacy Act. Investors must only provide an ABN instead of a TFN when the investment is made in the course of their enterprise. You are not obliged to provide either your TFN or ABN, but if you do not provide either or claim an exemption, we are required to deduct tax from your distribution at the highest marginal tax rate plus Medicare levy to meet Australian taxation law requirements.

For more information about the use of TFNs for investments, contact the enquiries section of your local branch of the ATO. Once provided, your TFN will be applied automatically to any future investments in the Fund/Trust where formal application procedures are not required (e.g. distribution reinvestments), unless you indicate, at any time, that you do not wish to quote a TFN for a particular investment. Exempt investors should attach a copy of the certificate of exemption. For super funds or trusts list only the applicable ABN or TFN for the super fund or trust.

**When you sign this Application Form you declare that you have read, agree to and make the declarations above**

**Investor 1**

Name of individual/entity

Capacity (e.g. Director, Secretary, Authorised signatory)

Signature

Date

Company Seal (if applicable)

**Investor 2**

Name of individual/entity

Capacity (e.g. Director, Secretary, Authorised signatory)

Signature

Date

## SECTION 9 – AML/CTF IDENTITY VERIFICATION REQUIREMENTS

The AML/CTF Act requires the Responsible Entity to adopt and maintain an Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Program. The AML/CTF Program includes ongoing customer due diligence, which may require the Responsible Entity to collect further information.

- Identification documentation provided must be in the name of the investor.
- Non-English language documents must be translated by an accredited translator. Provide both the foreign language document and the accredited English translation.
- Applications made without providing this information cannot be processed until all the necessary information has been provided.
- If you are unable to provide the identification documents described please contact Equity Trustees.

**These documents should be provided as an original or a CERTIFIED COPY of the original.**

### Who can certify?

Below is an example of who can certify proof of ID documents under the AML/CTF requirements:

- Bailiff
- Bank officer with 5 or more years of continuous service
- Building society officer with 5 or more years of continuous service
- Chiropractor (licensed or registered)
- Clerk of court
- Commissioner for Affidavits
- Commissioner for Declarations
- Credit union officer with 5 or more years of continuous service
- Dentist (licensed or registered)
- Fellow of the National Tax Accountant's Association
- Finance company officer with 5 or more years of continuous service
- Judge of a court
- Justice of the peace
- Legal practitioner (licensed or registered)
- Magistrate
- Marriage celebrant licensed or registered under Subdivision C of Division 1 of Part IV of the Marriage Act 1961
- Master of a court
- Medical practitioner (licensed or registered)
- Member of Chartered Secretaries Australia
- Member of Engineers Australia, other than at the grade of student
- Member of the Association of Taxation and Management Accountants
- Member of the Australian Defence Force with 5 or more years of continuous service
- Member of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants or the Institute of Public Accountants
- Member of the Parliament of the Commonwealth, a State, a Territory Legislature, or a local government authority of a State or Territory
- Minister of religion licensed or registered under Subdivision A of Division 1 of Part IV of the Marriage Act 1961
- Nurse (licensed or registered)
- Optometrist (licensed or registered)
- Permanent employee of Commonwealth, State or local government authority with at least 5 or more years of continuous service.
- Permanent employee of the Australian Postal Corporation with 5 or more years of continuous service
- Pharmacist (licensed or registered)
- Physiotherapist (licensed or registered)
- Police officer
- Psychologist (licensed or registered)
- Registrar, or Deputy Registrar, of a court
- Sheriff
- Teacher employed on a full-time basis at a school or tertiary education institution
- Veterinary surgeon (licensed or registered)

### When certifying documents, the following process must be followed:

- All copied pages of original proof of ID documents must be certified and the certification must not be older than 2 years.
- The authorised individual must ensure that the original and the copy are identical; then write or stamp on the copied document "certified true copy". This must be followed by the date and signature, printed name and qualification of the authorised individual.
- In cases where an extract of a document is photocopied to verify customer ID, the authorised individual should write or stamp "certified true extract".

**GROUP A – Individuals/Joint**

Each individual investor, individual trustee, beneficial owner, or individual agent or authorised representative must provide one of the following primary photographic ID:

- A current Australian driver's licence (or foreign equivalent) that includes a photo and signature.
- An Australian passport (not expired more than 2 years previously).
- A foreign passport or international travel document (must not be expired)
- An identity card issued by a State or Territory Government that includes a photo.

If you do NOT own one of the above ID documents, please provide one valid option from Column A and one valid option from Column B.

**Column A**

- Australian birth certificate.
- Australian citizenship certificate.
- Pension card issued by Department of Human Services.

**Column B**

- A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address.
- A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. Block out the TFN before scanning, copying or storing this document.
- A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address).
- If under the age of 18, a notice that: was issued to the individual by a school principal within the preceding 3 months; and contains the name and residential address; and records the period of time that the individual attended that school.

## GROUP B – Companies

For Australian Registered Companies, provide one of the following (must clearly show the Company's full name, type (private or public) and ACN):

- A certified copy of the company's Certificate of Registration or incorporation issued by ASIC.
- A copy of information regarding the company's licence or other information held by the relevant Commonwealth, State or Territory regulatory body e.g. AFSL, RSE, ACL etc.
- A full company search issued in the previous 3 months or the company's last annual statement issued by ASIC.
- If the company is listed on an Australian securities exchange, provide details of the exchange and the ticker (issuer) code.
- If the company is a majority owned subsidiary of a company listed on an Australian securities exchange, provide details of the holding company name, its registration number e.g. ACN, the securities exchange and the ticker (issuer) code.

All of the above must clearly show the company's full name, its type (i.e. public or private) and the ACN issued by ASIC.

For Foreign Companies, provide one of the following:

- A certified copy of the company's Certificate of Registration or incorporation issued by the foreign jurisdiction(s) in which the company was incorporated, established or formed.
- A certified copy of the company's articles of association or constitution.
- A copy of a company search on the ASIC database or relevant foreign registration body.
- A copy of the last annual statement issued by the company regulator.

All of the above must clearly show the company's full name, its type (i.e. public or private) and the ARBN issued by ASIC, or the identification number issued to the company by the foreign regulator.

**In addition, please provide verification documents for each beneficial owner or controlling person (senior managing official and shareholder) as listed under Group A.**

A beneficial owner of a company is any person entitled (either directly or indirectly) to exercise 25% or more of the voting rights, including a power of veto, or who holds the position of senior managing official (or equivalent) and is thus the controlling person.

## GROUP C – Trusts

For a Registered Managed Investment Scheme, Government Superannuation Fund or a trust registered with the Australian Charities and Not-for-Profit Commission (ACNC), or a regulated, complying Superannuation Fund, retirement or pension fund (including a self-managed super fund), provide one of the following:

- A copy of the company search of the relevant regulator's website e.g. APRA, ASIC or ATO.
- A copy or relevant extract of the legislation establishing the government superannuation fund sourced from a government website.
- A copy from the ACNC of information registered about the trust as a charity
- Annual report or audited financial statements.
- A certified copy of a notice issued by the ATO within the previous 12 months.
- A certified copy of an extract of the Trust Deed (i.e. cover page and signing page and first two pages that describes the trust, its purpose, appointer details and settlor details etc.)

For all other Unregulated trust (including a Foreign trust), provide the following:

- A certified copy of an extract of the Trust Deed (i.e. cover page and signing page and first two pages that describes the trust, its purpose, appointer details and settlor details etc.)

**If the trustee is an individual, please also provide verification documents for one trustee as listed under Group A.**

**If the trustee is a company, please also provide verification documents for a company as listed under Group B.**

## GROUP D – Authorised Representatives and Agents

In addition to the above entity groups:

- If you are an **Individual Authorised Representative or Agent** – please also provide the identification documents listed under Group A.
- If you are a **Corporate Authorised Representative or Agent** – please also provide the identification documents listed under Group B.

All Authorised Representatives and Agents must also provide a certified copy of their authority to act for the investor e.g. the POA, guardianship order, Executor or Administrator of a deceased estate, authority granted to a bankruptcy trustee, authority granted to the State or Public Trustee etc.

## SECTION 10 – GLOSSARY

Custodian – means a company that:

- a) is acting in the capacity of a trustee; and
- b) is providing a custodial or depository service of the kind described in item 46 of table 1 in subsection 6(2) of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act); and
- c) either:
  - i. holds an Australian financial services licence authorising it to provide custodial or depository services under the Corporations Act 2001; or
  - ii. is exempt under the Corporations Act 2001 from the requirement to hold such a licence; and
- d) either:
  - i. satisfies one of the 'geographical link' tests in subsection 6(6) of the AML/CTF Act; or
  - ii. has certified in writing to the relevant reporting entity that its name and enrolment details are entered on the Reporting Entities Roll; and
- e) has certified in writing to the relevant reporting entity that it has carried out all applicable customer identification procedures and ongoing customer due diligence requirements in accordance with Chapter 15 of the AML/CTF Rules in relation to its underlying customers prior to, or at the time of, becoming a customer of the reporting entity.