

18th April 2019

Dear Unitholder,

Important Changes to the Clime International Fund ('the Fund')

APIR Code: SLT0055AU (Retail)

APIR Code: CLA0001AU (Wholesale)

Equity Responsibility Entity Services Limited ("EQT" or "We") for the Clime International Fundy Fund wishes to advise of impending important changes to the Fund.

What Changes are We Making and Why?

Current Performance Benchmark and Performance Fee Calculation:

- The performance benchmark is a 10% return per annum, measured after investment Management Fees and Usual Expenses but before any Performance Related Fee.
- The performance fee is calculated as 20% of any amount by which the Fund outperforms the Performance Benchmark.

Proposed Performance Benchmark and Performance Fee Calculation:

- The proposed performance benchmark is the MSCI World Index after Investment Management Fees and Indirect Costs but before any Performance Related Fee.
- The performance fee is calculated as 20% of any amount by which the Fund outperforms the Performance Benchmark.

These changes directly align the investment approach of the manager with delivering returns for Unit Holders consistent with the relevant index, the MSCI World index.

We will continue in our current role as Responsible Entity, and Clime Asset Management Pty Limited will remain as Investment Manager of the Fund.

About Clime Asset Management ("Clime" or "Investment Manager")

Clime is a wholly owned subsidiary of Clime Investment Management Limited, a company listed on the Australian Securities Exchange (ASX:CIW). Clime is a Diversified Asset Manager that provides tailored investment solutions primarily for investing seeking security in their retirement. Clime's investment style is to focus on a quality bias with a strong valuation discipline. Clime is dedicated to providing investment solutions aligned with its clients' objectives, and this is reflected in its corporate values of integrity, transparency and conviction.

New Product Disclosure Statement



A new PDS for the Fund will be issued on the Transition Date, on or around 18 May 2019 and will be available on Clime Asset Management website www.clime.com.au and on EQT's website www.eqt.com.au. Should you require a hard copy of the new PDS, please contact the Clime Client Services Team on 1300 788 568 or at info@clime.com.au.

What Do You Need to Do?

The information outlined above does not constitute investment advice and is not a recommendation to acquire, hold or sell units in the Fund. An investor should consult with their own investment, accounting, legal and tax advisers to evaluate independently the risks, consequences and suitability of their investment and the impact of the changes above to their own personal circumstances.

If you are happy with the changes outlined above, no further action is required. However, if you are not comfortable with the changes outlined above and you would like to redeem your investment in the Fund, please refer to the current PDS, for instructions on how to redeem. The PDS can be accessed on Clime Asset Management's website www.clime.com.au and on EQT's website www.eqt.com.au.

We thank you for your continued business and consideration of the above information.

Should you have any questions, please contact the Clime Client Services Team on, 1300 788 568 or at info@clime.com.au.

Yours sincerely,

Harvey Kalman
Executive General Manager, CTS & Global Head of Fund Services
Equity Trustees Limited