

# Mittleman Global Value Equity Fund

## – Class W

MITTMAN BROTHERS  
INVESTMENT MANAGEMENT

BROOKVINE

### Product Disclosure Statement

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#### About this PDS

This Product Disclosure Statement (“PDS”) has been prepared and issued by Equity Trustees Limited (“Equity Trustees”, “we” or “Responsible Entity”) and is a summary of the significant information relating to an investment in the Mittleman Global Value Equity Fund - Class W (the “Fund”). It contains a number of references to important information (including a glossary of terms) contained in the Mittleman Global Value Equity Fund Reference Guide (“Reference Guide”), which forms part of this PDS. You should carefully read and consider both the information in this PDS, and the information in the Reference Guide, before making a decision about investing in the Fund.

The information provided in this PDS is general information only and does not take account of your personal objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances and consider whether investing in the Fund is appropriate for you in light of those circumstances.

The offer to which this PDS relates is only available to Wholesale Clients (as defined in the Reference Guide) receiving this PDS (electronically or otherwise) in Australia and Wholesale Investors (as defined in the Reference Guide) receiving this PDS (electronically or otherwise) in New Zealand who have completed a Wholesale Investor Certificate attached to the Application Form. New Zealand investors must read the Mittleman Global Value Equity Fund New Zealand Wholesale Investors Fact Sheet. All references to dollars or “\$” in this PDS are to Australian dollars.

This PDS has not been, and will not be, lodged with the Registrar of Financial Service Providers in New Zealand, and is not a Product Disclosure Statement under the Financial Markets Conduct Act 2013 (NZ). New Zealand Wholesale Investors wishing to invest in the Fund should be aware that there may be different tax implications of investing in the Fund and should seek their own tax advice as necessary.

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 Securities Act of 1933 as amended (“US Securities Act”). Equity Trustees may vary this 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 approved by Equity Trustees and may not be offered or sold in the US to, or for, the account of any US Person (as defined in the Reference Guide) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

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#### The Reference Guide

Throughout the PDS, there are references to additional information contained in the Reference Guide. You can obtain a copy of the PDS and the Reference Guide, free of charge, by requesting the most current PDS from Brookvine Client Services on +61 2 9328 6445 or [clientservice@brookvine.com.au](mailto:clientservice@brookvine.com.au) or by calling the Responsible Entity.

The information contained in the Reference Guide may change between the day you receive this PDS and the day you acquire the product. You must therefore ensure that you have read the Reference Guide current as at the date of your application.

#### Updated information

Information in this PDS is subject to change. We will notify you of any changes that have a material adverse impact on you or other significant events that affect the information contained in this PDS. Any information that is not materially adverse information is subject to change from time to time and may be obtained by requesting the most current PDS from Brookvine Client Services on +61 2 9328 6445 or [clientservice@brookvine.com.au](mailto:clientservice@brookvine.com.au). A paper copy of the updated information will be provided free of charge on request.

#### Investment Manager

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105 Maxess Road, Suite 207  
Melville, NY 11747  
United States of America  
Tel: +1 516-686-6200  
[www.mittlemanbrothers.com](http://www.mittlemanbrothers.com)

#### Fund Adviser

Brookvine Investment Advisers Pty Ltd  
ACN 118 595 967  
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#### Responsible Entity

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ABN 46 004 031 298, AFSL 240975  
GPO Box 2307  
Melbourne VIC 3001  
Ph: +613 8623 5000  
Web: [www.eqt.com.au/insto](http://www.eqt.com.au/insto)

# 1. About Equity Trustees Limited

## The Responsible Entity

### Equity Trustees Limited (“Equity Trustees”)

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 Mittleman Investment Management, LLC 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

### Mittleman Investment Management, LLC (“Mittleman”)

Mittleman Brothers, LLC is the holding company of Mittleman Investment Management, LLC. The Manager, Mittleman Investment Management, LLC (Mittleman), was formed in 2005 by Christopher P. Mittleman, Philip C. Mittleman and David J. Mittleman. Christopher P. Mittleman oversees the investment management function of the firm. Mittleman is based in Melville and have offices in the New York City area, USA. As at 31 December 2018, it had US\$385 million in assets under management. It pursues superior returns through long-term investments in what it deems to be severely undervalued securities, while maintaining its focus on limiting risk.

Mittleman Investment Management, LLC is exempt from the requirement to hold an AFSL under the Corporations Act in respect of the financial services it provides to Wholesale Clients in Australia. Mittleman is regulated by the Securities and Exchange Commission of the United States of America under US laws, which differ from Australian laws. Mittleman is not authorised to provide financial product advice to retail clients in Australia.

## The Fund Adviser

### Brookvine Investment Advisers Pty Ltd (“Brookvine”)

Brookvine has been appointed to provide fund raising and marketing support for the Fund.

Brookvine is a leading independent Australian business focussed on investment advisory and marketing activities. It was established in 2001 and has since raised over \$13 billion. Brookvine specialises in discovering, initiating and structuring new investment opportunities, in locating and helping raise investment capital and in the ongoing co-ordination of investor relationships. It performs these services on behalf of the Fund.

# 2. How Mittleman Global Value Equity Fund works

The Fund is a registered managed investment scheme governed by the Constitution. The Fund comprises assets which are acquired in accordance with the Fund’s investment strategy. Direct investors receive units in the class when they invest. Different classes of units may be issued. These include the Class W units. In general, each unit represents an equal interest in the assets of the class subject to liabilities; however, it does not give investors an interest in any particular asset of the class.

If you invest in the Fund through an IDPS (as defined in the Reference Guide) you will not become an investor in the Fund. The operator or custodian of the IDPS will be the investor entered in the Fund’s register and will be the only person who is able to exercise the rights and receive the benefits of a direct investor. Your investment in the Fund through the IDPS will be governed by the terms of your IDPS. Please direct any queries and requests relating to your investment to your IDPS Operator. Unless otherwise stated, the information in the PDS applies to direct investors.

## Applying for units

You can acquire units by completing the Application Form that accompanies this PDS. The minimum initial investment amount for the class is \$250,000 or such lower amount as determined by the Responsible Entity.

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

Mittleman Global Value Equity Fund Unit Registry  
Link Fund Solutions  
Unitholder Services  
GPO Box 5482  
Sydney NSW 2001  
Or via email to [ifs\\_registry@linkgroup.com](mailto:ifs_registry@linkgroup.com)

Please note that cash 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 class, divided by the number of units on issue for that class and adjusted for transaction costs (“Buy Spread”). At the date of this PDS, the Buy Spread is 0.50%.

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

## Making additional investments

You can make additional investments into the class at any time by sending us your additional investment amount together with a completed Additional Application Request form. The minimum additional investment into the Fund is \$25,000.

## 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 in the class at the end of the distribution period.

The Fund usually distributes income annually at the end of June, however, Equity Trustees may change the distribution frequency without notice. 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.

Indirect Investors should review their IDPS Guide for information on how and when they receive any income distribution.

New Zealand investors can only have their distribution directly credited if an AUD Australian domiciled bank account is provided, otherwise it must be reinvested (refer to the Mittleman Global Value Equity Fund New Zealand Wholesale Investor Fact Sheet)

## Access to your money

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

Mittleman Global Value Equity Fund Unit Registry  
Link Fund Solutions  
Unitholder Services  
GPO Box 5482  
Sydney NSW 2001  
Or via email to [lfs\\_registry@linkgroup.com](mailto:lfs_registry@linkgroup.com)

or fax to +61 2 9221 1194

The minimum withdrawal amount in the class is \$100,000. Once we receive and accept 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 10 days of acceptance of a withdrawal request by transferring the withdrawal proceeds to such investor's nominated bank account. However, Equity Trustees is allowed to reject withdrawal requests, and also to make payment up to 21 days after receipt of a request (which may be extended in certain circumstances) as outlined in the Constitution and Reference Guide.

We reserve the right to accept or reject withdrawal requests in whole or in part at our discretion.

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 class, divided by the number of units on issue for that class and adjusted for transaction costs ("Sell Spread"). At the date of this PDS, the Sell Spread is 0.50%.

The Withdrawal Price will vary as the market value of assets in the class rises or falls.

Equity Trustees reserves the right to fully redeem your investment if your investment balance in the class falls below \$250,000 as a result of processing your withdrawal request. In certain circumstances, for example, when there is a freeze on withdrawals, where accepting a withdrawal is not in the best interests of investors in the Fund including due to one or more circumstances outside its control or where the Fund is not liquid (as defined in the Corporations Act), Equity Trustees can deny or suspend a withdrawal request and you may not be able to withdraw your funds in the usual processing times or at all. 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.

If you are an Indirect Investor, you need to provide your withdrawal request directly to your IDPS Operator. The time to process a withdrawal request will depend on the particular IDPS Operator and the terms of the IDPS.

## 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 the 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 will be made available free of charge on request.

## Additional information

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 then 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 from ASIC through ASIC's website.

## Further reading

You should read the important information in the Reference Guide about:

- Application cut-off times;
- Application terms;
- Authorised signatories;
- Reports;
- Withdrawal cut-off times;
- Withdrawal terms; and
- Withdrawal restrictions,

under the "Investing in the Mittleman Global Value Equity Fund", "Managing your investment" and "Withdrawing your investment" sections before making a decision. Go to the Reference Guide which is available at [www.eqt.com.au/insto](http://www.eqt.com.au/insto). The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

## 3. Benefits of Investing in the Mittleman Global Value Equity Fund

Mittleman has a value-oriented, long-term investment approach, typically holding between 15 and 20 positions. Investments are made globally, in developed and emerging economies. Mittleman's investment approach is unconstrained by market capitalisation, sector or geography, and it invests wherever it believes the best risk/reward trade-offs exist.

The Investment Manager prefers securities that offer long-term value, that may be unpopular with the general investment community and financial press, or are not well known to the financial community.

Mittleman believes its ability to go wherever the best risk/ reward ratios appear to be available, in companies small and large, is a distinct advantage over other investment managers which operate within a more restrictive investment universe.

Other significant attributes of investing in the Fund include:

- access to investment opportunities that individual investors often cannot achieve;
- managed funds can often invest for less cost than ordinary investors can achieve individually;
- generally, you can add to or withdraw your investment monthly;
- you have the right to receive any distributions we make from the Fund;
- you can also have the benefit of capital gains (or suffer losses) when you dispose of your investment such as by exiting the Fund or selling your units; and
- a robust compliance and governance structure with a trusted Responsible Entity and legal rights under the Constitution of the Fund.

## 4. Risks of managed investment schemes

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. You should consider the significant risks below when deciding whether to invest in the Fund. You may want to consider these risks in light of your risk profile. 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.

We 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. You may lose money by investing in the Fund and your investment in the Fund may not meet your objectives. The level of returns will vary and future returns may differ from past returns. Laws affecting managed investment schemes may also change in the future. Past investment performance is not necessarily indicative of future results.

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 advice, you should contact a licensed financial adviser.

#### **Concentration risk**

Concentration risk is the risk that poor performance in a group of securities common to a particular entity or section of the market will significantly affect the performance of the Fund. There is a risk that the Fund may not have sufficiently diversified positions which may result in the returns of the Fund being highly dependent on the returns of few exposures. The Fund currently holds a stake in Aimia Inc. of approximately 20% of the market value of the Fund. The Investment Manager intends to continue to review the holding having regard to the best interests of unitholders and intends to progressively reduce the percentage interest over time to an approximate interest of not more than 10% of the market value of the Fund.

#### **Conflicts of Interest Risk**

At the date of the PDS, the Fund holds a stake in Aimia Inc. of approximately 20% of the market value of the Fund. Aimia Inc. is the parent entity of the Investment Manager and key personnel of the Investment Manager have senior management or board roles in Aimia Inc. This may lead to conflicts of interest given the Investment Manager's primary duty to the Fund. The Investment Manager has policies and procedures in place to manage any potential conflicts of interest.

#### **Currency Risk**

The value of the Fund will be expressed in Australian dollars. However the Fund will invest in securities denominated in global currencies. The value of these currencies may move in different directions to the value of the Australian dollar. Consequently the value of the Fund will fluctuate in accordance with changes in the foreign exchange rate between the Australian dollar and other currencies. Mittleman does not hedge the currency exposure in any way.

#### **Fund Risk**

Risks particular to the Fund include that it could terminate, the fees and expenses could change, the investment manager or responsible entity could be replaced and the investment professionals could change. Additionally investing in the Fund may give different results than investing directly in the underlying assets of the Fund because of income or capital gains which may accrue in the Fund and the consequences of investment and withdrawal by other investors.

#### **International Risk**

The risk of investing internationally includes country and/or region specific risks such as: natural disasters; currency exchange rates; political, economic and social instability; market volatility and liquidity; less developed or efficient trading markets; settlement and clearance procedures; enforceability of laws (including tax); availability of information and differences in auditing, accounting and other financial and legal reporting standards.

#### **Investment Manager Risk**

There is no guarantee that the Fund will achieve its performance objectives, produce returns that are positive or compare favourably against its peers. The investment function of the Investment Manager is also heavily reliant on Christopher P. Mittleman. The departure of Mr Mittleman may impact the ability of the Investment Manager to implement the strategy of the Fund until suitable replacement personnel are engaged.

#### **Legal & Regulatory Risk**

Legal risk is the risk of losses occurring as a result of legal issues, for example, loss due to the non-enforcement of a contract. This non-enforcement may arise from insufficient documentation, insufficient capacity or authority of a counterparty, uncertain legality or unenforceability in bankruptcy or insolvency. There is also risk that laws, including taxation laws, might change or become difficult to enforce. Investing in foreign markets with different legal and regulatory systems means that foreign investments are often exposed to more risk than investments in Australian markets.

#### **Liquidity Risk**

There may be times when there may be a limited secondary market for the securities in which the Fund may invest and that may affect the ability of the Fund to realise investments or to meet withdrawal requests (for example, in a falling market where shares may become less liquid). Mittleman attempts to mitigate the liquidity risk factor by generally investing in securities that are believed to offer sufficient liquidity. Note that neither Equity Trustees nor Mittleman guarantees the liquidity of the Fund's investments or of your investment in the Fund.

#### **Market Risk**

The market price of investments may go up or down, sometimes rapidly or unpredictably. Assets may decline in value due to factors affecting markets generally or particular industries represented in the markets. The value of an investment may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, supply and demand for particular securities or instruments, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. During a general market downturn, multiple asset classes may decline in value simultaneously.

Further, changes in tax, legal and economic policy, political events and technology failure can all directly or indirectly create an environment that may influence the value of the investments of the Fund, and your investment in the Fund.

#### **Security Selection Risk**

Mittleman may make investment decisions that result in low returns. This risk is mitigated to some extent by the knowledge and experience of Mittleman.

#### **Security Specific Risk**

There may be instances where a company's share or unit in a managed investment scheme will fall in price because of company/ managed investment scheme specific factors (for example, where a company's major product is subject to a product recall). The value of investments can vary because of changes to management, product distribution or the company's business environment.

## **5. How we invest your money**

Warning: Before choosing to invest in the Fund you should consider the likely investment returns, the risks of investing and your investment time frame.

#### **Investment Objective**

To outperform the Benchmark, after fees and costs, by investing in a portfolio of predominantly listed equity securities that are generally covered by the Benchmark.

Note the investment return objective is not intended to be a forecast. It is merely an indication of what the Fund aims to achieve over the medium to long term on the assumption that equity markets remain relatively stable throughout the investment term. The Fund may not be successful in meeting this objective. Returns are not guaranteed.

#### **Benchmark**

MSCI All Country World Net Index (ACWI) in Australian dollars, net dividends reinvested

## Minimum Suggested Timeframe

The minimum suggested investment time frame for the Fund is 5 to 7 years.

## Risk Level of the Fund

Medium

This Fund has been assigned a “medium risk” designation based on its exposure to a concentrated portfolio of global investments. This grading is not intended to be a guarantee of any actual level of risk or an indication of likely returns.

## Investor Suitability

The Fund is primarily designed for investors seeking superior medium to long term capital growth from a concentrated portfolio of global companies (typically 15 – 20 securities). It will invest in developed and emerging markets. Investors need to be comfortable with the short term fluctuations inherent in such a portfolio of concentrated, global equity investments.

## Investment Style and Approach

Mittleman pursues superior returns through long-term investments in what it deems to be severely undervalued securities, while maintaining its focus on limiting risk.

Mittleman seeks to mitigate risk, which it defines as the probability of the long-term loss of capital, by investing in businesses that are proven franchises with durable economic advantages, evidenced by a well-established track record of substantial free cash flow generation over complete business cycles. It only invests when the very low valuation at which the investment is made indicates a significant growth opportunity.

Unconstrained by capitalisation parameters, Mittleman gravitates towards smaller market cap companies where the firm has typically identified the greatest disparities between market price and its estimate of fair value. Large cap companies are also considered, but only when priced attractively enough to warrant inclusion in the Fund.

These are companies that are often unpopular or under-followed and Mittleman often invests before the institutional herd arrives. Consequently, some Fund investments may require a longer period of time before their fair value is more fully recognised by markets.

## Asset Allocation and Investment Guidelines

To achieve the investment objective, the Fund will invest in global companies of any size or market capitalisation.

The Fund will be denominated in Australian dollars and currency exposures will be unhedged.

The Fund has the following investment guidelines:

- It is intended that the Fund will generally not hold more than 15% of market value of the portfolio in any one position.\*
- The Fund may be heavily invested in cash and cash equivalents for temporary defensive purposes.
- The Fund will typically include between 15 – 20 investments.
- The Fund may invest in both developed and emerging economies.
- Permissible investments include common stocks, of any size or market capitalisation, cash and cash equivalents, including but not limited to obligations of government agencies, banks and short term investment funds (STIFs), Approved Depository Receipts (ADRs) and Global Depository Receipts (GDRs), exchange-listed and unlisted securities, and debt or hybrid securities or other financial instruments which, in the opinion of the Mittleman, present special opportunities, including the debt of distressed companies and companies operating under Chapter 11 bankruptcy protection.
- Short sales or purchases of stock on margin are not permitted.
- The use of derivatives is not permitted.

\* As at the date of this PDS, the Fund currently holds a stake in Aimia Inc. of approximately 20% of the market value of the Fund. Aimia Inc. is the parent entity of the Investment Manager. The Investment Manager intends to continue to review the holding having regard to the best interests of unitholders and intends to progressively reduce the percentage interest over time to an approximate interest of not more than 10% of the market value of the Fund.

## Labour, Environmental, Social and Ethical Considerations

Equity Trustees and Mittleman have elected to avoid making investments in entities directly involved in the primary manufacture of complete tobacco products and cluster munitions. The Investment Manager does not otherwise take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments of the Fund.

## Fund Performance

Up to date information on the performance of the Fund will be available at [www.eqt.com.au/insto](http://www.eqt.com.au/insto).

Any of the details in this Section 5 could change at any time and without notice. Where we consider the changes are significant, we will notify you of the changes (and where required, give you 30 days' prior notice).

## 6. Fees and costs

### DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.**

**For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).**

**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.**

**You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.**

### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

The information in the following table can be used to compare costs between this and other simple managed investment schemes. Fees and costs may be paid directly from your investment or deducted from investment returns. For information on tax please see Section 7 of this PDS.

Type of fee or cost	Amount
<b>Fees when your money moves in or out of the Fund</b>	
Establishment Fee	Nil
Contribution Fee	Nil
Withdrawal Fee	Nil
Exit Fee	Nil
<b>Management costs<sup>1</sup></b>	
The fees and costs for managing your investment	1.25% p.a. of the Net Asset Value (NAV) of the Fund <sup>2</sup>
Performance Related Fee	20% (incl GST) of the dollar value of outperformance of the Fund. Any underperformance from a prior period must be recouped before a Performance Related Fee can be taken (we call this the high-watermark) <sup>3</sup>

<sup>1</sup> All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC) at the prescribed rate, which is currently either 55% or 75% (depending on the nature of the fee or expense).

<sup>2</sup> Management fees can be negotiated. See “Differential fees” below. This amount includes Responsible Entity fees, investment management fees, custodian fees, administration fees and other expenses. However, it does not include Performance Related Fees which are payable as an expense of the Fund to the Investment Manager. See below for more details as to how Management Costs are calculated.

<sup>3</sup> This represents the Performance Related Fees which are payable as an expense of the Fund. See “Performance Related Fee” below for more information.

## Additional Explanation of Fees and Costs

### What do the Management Costs Cover?

The Management Costs include Responsible Entity fees, investment management fees, custodian fees (excluding transaction-based fees such as trading or settlement costs incurred by the custodian), administration fees, Performance Related Fees (see below) and other expenses. Management Costs are calculated and accrued daily based on the NAV of the Fund. The accrued fees are paid in arrears from the Fund at the end of each month. The Management Costs which are paid out of Fund assets reduce the NAV of the Fund and are reflected in the unit price.

It is not expected that the Fund will incur any indirect costs.

### Performance Related Fee

A Performance Related Fee, equal to 20% inclusive of the net effect of GST of the dollar value of the outperformance of a series of units of the Fund, accrued daily and payable annually in arrears or on redemption of units. Outperformance is the return of a series of units of the Fund, net of Management Costs but excluding any Performance Related Fee accrual, above the Benchmark, the MSCI ACWI Index Net in AUD. If a series of units of the Fund underperforms the benchmark in any given period, the dollar value of that underperformance needs to be made up before any Performance Related Fee is payable.

The Performance Related Fee is subject to a high-water mark, that is, no Performance Related Fee for a series of units of the Fund is payable until any accrued underperformance (in dollar terms) from the last Performance Related Fee payment has been made up and the price the series of units is greater than the initial issue price of the series of units (adjusted for distributions) if it is the first time a Performance Related Fee is payable.

Unless the Responsible Entity decides otherwise there will be a new series of unit created each month in respect of applications for this class of unit in the Fund. This allows the Fund to charge a Performance Related Fee based on issue price of each series of unit. At the end of each financial year all series of units which have borne a Performance Related Fee will be consolidated into a single series of units, being the oldest series of units to have borne a Performance Related Fee for that financial year.

## Transactional and Operational Costs

In managing the assets of the Fund, the Fund may incur transaction costs such as brokerage, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold. This generally happens 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 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/Sell Spread is paid into the Fund and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.50% upon entry (buy spread) and 0.50% upon exit (sell spread). The dollar value of these costs based on an application or a withdrawal of \$50,000 is \$250.00 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time to reflect the actual costs incurred by the Fund. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. Generally, there will be no Buy Spread incurred on distributions which are re-invested.

Transaction costs which are incurred other than in connection with applications and redemptions arise through the day-to-day trading of the Fund’s assets and are reflected in the Fund’s unit price. As these costs are factored into the asset value of the Fund’s assets and reflected in the unit price, they are an additional cost to the investor and are not a fee paid to the Responsible Entity. These costs can arise as a result of bid-offer spreads being applied by trading counterparties to securities traded by the Fund.

During the financial year ending 30 June 2020, the total transaction costs for the Fund were estimated to be 0.10% of the NAV of the Fund, of which 100% of these transaction costs were recouped via the Buy/Sell Spread, resulting in a net transactional cost to the Fund of 0.00% p.a.

### Can the Fees Change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. We have the right to recover all proper and reasonable expenses incurred in managing the Fund and as such these expenses may increase or decrease. We will generally provide investors with at least 30 days’ notice of any proposed change to the Management Costs. Expense recoveries and Buy/Sell Spreads may change without notice, for example, when it is necessary to protect the interests of members and if permitted by law. In most circumstances, the Constitution defines the maximum fees that can be charged for fees described in this PDS.

### Payments to IDPS Operators

Subject to the law, annual payments may be made to some IDPS Operators because they offer the Fund on their investment menus. Product access is paid by the Investment Manager out of its investment management fee and is not an additional cost to the investor. If the payment of annual fees to IDPS Operators is limited or prohibited by the law, Equity Trustees will ensure the payment of such fees is reduced or ceased.

### Differential Fees

Equity Trustees, Brookvine and Mittleman may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with investors who are Wholesale Clients as defined in the Reference Guide.

### Other Additional Costs

Additional fees and costs may apply if you are investing via an IDPS. Standard government fees, duties and bank charges may also apply. The fees and costs in the Fees and Costs table take into consideration the net effect of GST (including the benefit of reduced input tax credits). For additional information regarding tax, please refer to Section 7.

### Commission and Other Payments

Equity Trustees does not pay any commission to financial advisers. Equity Trustees maintains a register of alternative remuneration of \$300 or more paid to (and received from) financial service licensees. You can obtain copies of the register by contacting us.

## Example of Annual Fees and Costs for the Fund

This table gives an example of how the fees and costs for this managed investment product can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example – Mittleman Global Value Equity Fund - Class W		
BALANCE OF \$300,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR*		
Contribution Fees	Nil	For every \$5,000 you put in, you will be charged \$0.
<b>Plus</b> Management fee	1.25% p.a.	<b>And</b> , for every \$300,000 you have in the Fund you will be charged \$3,750 each year
<b>Plus</b> Performance Related Fee	20%**	\$3,000***
<b>Equals</b> Cost of the Fund		If you had an investment of \$300,000 at the beginning of the year and you put in an additional \$5,000 at the end of that year, then you would be charged Management Costs and Performance Fees totaling: \$6,750**** <b>What it costs you will depend on the fees you negotiate.</b>

\* Please note that the Fund has a minimum initial investment amount of \$250,000. The table assumes the contribution of \$5,000 was made at the end of the year.

\*\* (incl GST) of the dollar value of out-performance of the Fund.

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 your investment in the Fund.

\*\*\* The Performance Related Fee shown in the table is an example only. The performance of the Fund, and the Performance Related Fee, may be higher or lower or not payable in the future. As a result, the actual costs may differ from the figures shown in the table.

Example:

Assume that the balance of the account at the start of the year is \$300,000, with a contribution of \$5,000 at the end of the year. If the year-end closing balance of the account is \$330,000 (excluding a \$5,000 contribution) and the same dollar investment in the MSCI ACWI Index (Net in AUD) would have risen to \$315,000, a Performance Related Fee equal to 20% of outperformance of \$15,000 (\$330,000 less \$315,000), or \$3,000, will be payable.

The example above is not a forecast of the performance of the Fund or the amount of the Performance Related Fee that may be payable in the future.

For more information on the performance history of the Fund, visit Equity Trustees' website at [www.eqt.com.au/insto](http://www.eqt.com.au/insto).

\*\*\*\* The 'Management Costs' amount in the table above would be \$6,750 (or 2.25%) if the Performance Related Fee in the example above was included in the table. Also, Buy/Sell Spreads are not included in this example. The example assumes no abnormal expenses are incurred and fees are not individually negotiated with Equity Trustees, Brookvine or Mittleman.

**Warning: Additional fees may be paid to a financial advisor if you have consulted a financial advisor. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out.**

## 7. How managed investment schemes are taxed

**Warning: Investing in a registered managed investment scheme (such as the Fund) is likely to have tax consequences. You are strongly advised to seek your own professional tax advice about the applicable Australian tax (including income tax, GST and duty) consequences and, if appropriate, foreign tax consequences which may apply to you based on your particular circumstances before investing in the Fund.**

The Fund is an Australian resident for tax purposes and does not generally pay tax on behalf of its investors. Australian resident investors are assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled or, where the Fund has made a choice to be an Attribution Managed Investment Trust ("AMIT") and the choice is effective for the income year, are attributed to them.

### Further reading

You should read the important information in the Reference Guide about Taxation under the "Other important information" section before making a decision. Go to the Reference Guide which is available at [www.eqt.com.au/insto](http://www.eqt.com.au/insto). The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

## 8. How to apply

To invest please complete the Application Form accompanying this PDS, send funds (see details in the Application Form) and your completed Application Form to:

Mittleman Global Value Equity Fund Unit Registry  
Link Fund Solutions  
Unitholder Services  
GPO Box 5482  
Sydney NSW 2001  
Or via email to [lfs\\_registry@linkgroup.com](mailto:lfs_registry@linkgroup.com)

Please note that cash cannot be accepted and all applications must be made in Australian dollars.

### Who can invest?

Eligible persons (as detailed in the 'About this PDS' section) can invest, however individual investors must be 18 years of age or over.

Investors investing through an IDPS should use the application form provided by their IDPS Operator.

### Cooling off period

No cooling off period applies to the offer made in this PDS, as the units offered under this PDS are only available to Wholesale Clients in Australia and Wholesale Investors in New Zealand.

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 a unit holder 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.

## 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 as soon as possible and in any case within 3 days of receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 45 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.

## 9. Other information

### Consent

Mittleman and Brookvine have given and, as at the date of this PDS, have not withdrawn:

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

Mittleman and Brookvine have not otherwise been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. Neither Mittleman, Brookvine, nor their employees or officers accept any responsibility arising in any way for errors or omissions, other than those statements for which they have provided their written consent to Equity Trustees for inclusion in this PDS. We have appointed an independent, third party 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.

Neither Equity Trustees, Brookvine or Mittleman guarantee the success or the performance of the Fund or the repayment of capital or any particular rate of capital or income return.

### Further reading

You should read the important information in the Reference Guide about:

- Your privacy;
- The Constitution;
- Anti-Money Laundering and Counter Terrorism Financing laws ("AML/CTF laws");
- Indirect Investors;
- Information on underlying investments;
- Foreign Account Tax Compliance Act ("FATCA"); and
- Common Reporting Standard ("CRS"),

under the "Other important information" section before making a decision. Go to the Reference Guide which is available at [www.eqt.com.au/insto](http://www.eqt.com.au/insto). The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.