

# Montaka Global Long Only Fund

ARSN 604 883 418 | APIR FHT0036AU

## Product Disclosure Statement (PDS)

Dated 1 March 2023

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#### Please note:

- this PDS is a summary of significant information and contains a number of references (marked with the symbol “§”) to important additional information contained in the Information Booklet which forms part of this PDS
- you should consider the information contained in this PDS before making a decision about The Fund
- the information provided in this PDS is general information only and does not take account of your personal financial situation or needs and
- you should obtain financial advice tailored to your personal circumstances.

Fundhost Ltd (**Fundhost**, we or us) is the responsible entity of Montaka Global Long Only Fund (**The Fund**) and issuer of this PDS. This PDS has not been lodged with the Australian Securities & Investments Commission (**ASIC**) and is not required to be so lodged. ASIC takes no responsibility for the contents of this PDS.

If you received this PDS electronically we will provide you, free of charge, with a paper copy of this PDS (together with the application form) and any information it incorporates by reference upon request. Please phone Fundhost on +61 2 8223 5400. If you make this PDS available to another person, you must give them the entire PDS, including the application form.

This PDS is also available to investors who invest through an IDPS (such as a master trust or wrap account). Different conditions may apply to such investors so please refer to “More information” and “Investing via an IDPS”. This PDS is not an offer or invitation in relation to The Fund in any place in which,

or to any person to whom, it would not be lawful to make that offer or invitation. New Zealand investors should refer to “More information” and “Information for New Zealand investors”. All references to \$ or amounts are to Australian dollars.

This PDS is current as at 1 March 2023. Information in this PDS is subject to change from time to time. To the extent that the change is not materially adverse to investors, it may be updated by Fundhost posting a notice of the change on its website at [www.fundhost.com.au](http://www.fundhost.com.au). Fundhost will provide to investors, free of charge, a paper copy of the updated information upon request when they contact Fundhost on +61 2 8223 5400. If the change is materially adverse to investors, Fundhost will notify affected investors and replace this PDS.

Neither Fundhost nor Montaka Global Pty Ltd (**Montaka Global**) promise that you will earn any return on your investment or that your investment will gain or retain its value. No company other than Fundhost and Montaka Global makes any statement or representation in this PDS.

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# 1 ABOUT FUNDHOST

## Fundhost

Fundhost is a public company that acts as the responsible entity and provides essential services to The Fund. Fundhost's core business is to operate registered managed investment schemes and provide compliance, administration and registry services. We are responsible for the day to day operations of The Fund and have appointed Montaka Global to manage the assets of The Fund.

## About Montaka Global

Montaka Global is the investment manager of The Fund. The team at Montaka Global including Andrew Macken and Christopher Demasi have a substantial shareholding in the company. The investment team has excellent international investment experience, having worked for highly regarded and well recognised fund managers in the United States.

Montaka Global has a commitment to excellence in the management of The Fund. Montaka Global operates an outsourced service provider model, which allows the key personnel to concentrate their time and energy on investing, analysis and portfolio management as well as communication with the unit holders of The Fund.

Montaka Global is a value investor dispassionately applying a highly disciplined and fact-based fundamental investment process. The focus for The Fund is on investing in what Montaka Global regards as high quality businesses with attractive prospects trading at attractive valuations. The Fund has developed a systematic research process that utilises a quantitative tool which implements a proprietary fundamental model, followed by a detailed research-intensive assessment by The Fund's highly skilled research team. The Fund typically invests in 15 to 30 high conviction stocks listed on major global stock exchanges with a focus on North America, Western Europe, the United Kingdom, Japan, Hong Kong, Singapore and Australia.

For more information on Montaka Global's investment process, see "How we invest your money".

# 2 HOW THE FUND WORKS

## Mechanics

When you invest in The Fund your money (together with all other investors' monies) is gathered in the one place and invested in assets. We have appointed Montaka Global to manage The Fund. Montaka Global uses its resources, experience and expertise to make the investment decisions.

We have also appointed National Australia Bank Limited (NAB) as the independent custodian to hold the assets of The Fund.

## Units

The Fund is a "unit trust". This means your interests in The Fund are represented by "units". Certain rights (such as a right to any income and a right to vote) attach to your units. You may also have obligations in respect of your units.

§ Each unit has a value which we calculate. When you invest, we issue you a number of units depending on the amount you invest. Similarly, when you withdraw from The Fund, we calculate your withdrawal proceeds by reference to the number and value of units you hold at the time of withdrawal. Generally, the price of units will vary as the market value of assets in The Fund rises or falls.

## § Investing and withdrawing

To invest in The Fund, use the application form accompanying this PDS. The following minimum transactions, balance requirements and processing rules generally apply (although we may vary or waive them at our discretion and without notice):

MINIMUM INITIAL INVESTMENT	\$25,000
MINIMUM ADDITIONAL INVESTMENT	\$5,000 or \$500 per month as a monthly direct debit savings plan
MINIMUM WITHDRAWAL	\$1,000
MINIMUM BALANCE	\$5,000
UNIT PRICING FREQUENCY	Each business day

## APPLICATIONS AND WITHDRAWALS PROCESSING

If we receive your correctly completed application and monies or a correctly completed withdrawal request, then we generally process these each business day using the unit price effective for that day. If your request is received before 4pm Sydney time it will be processed using the unit price effective for that day. If your request is received after this time, or on a non-business day, it is treated as having been received before 4pm Sydney time the next business day. If you are making monthly direct debit contributions, refer to Section 8 "How to Apply" for more information on direct debit savings plans.

You can increase your units by reinvesting distributions (this will be done automatically unless you tell us otherwise) or by making an additional investment (use the Additional Investment Form to do this), or you can decrease your units by making a withdrawal (simply contact us in writing and tell us how much you need to withdraw). We call this a redemption request. We accept scanned or faxed redemption requests on certain conditions.

## § Delays

Normally once we decide you can withdraw your money (usually this happens within 5 business days of receipt of your withdrawal request), we process the request within 5 business days (although the constitution for The Fund allows us 21 days), and pay funds to your account.

In certain circumstances, such as a freeze on withdrawals or where The Fund is illiquid (as defined in the Corporations Act), you may have to wait a longer period of time before you can redeem your investment.

If The Fund is not sufficiently liquid then you will only be permitted to withdraw if we make a withdrawal offer to all investors in accordance with The Fund constitution and Corporations Act.

### § Compulsory redemptions

In some circumstances we may also compulsorily redeem your units, for example, where we suspect that a law prohibits you from being an investor in The Fund.

### Distributions

Income distributions are generally paid semi-annually (as at 30 June and 31 December each year) and can be reinvested in full or paid out entirely to the financial institution account nominated on your application form. You can indicate your choice on the application form. If you do not make a choice, then distributions will be reinvested. Any distributions reinvested are reinvested at the ex-distribution mid-price.

Distribution payments are typically made within 20 business days after the end of the distribution period. Distributions will not be paid by cheque.

We generally calculate income distributions based on The Fund's net income at the end of the distribution period divided by the number of units on issue.

We distribute all taxable income to investors each year, including any taxable capital gains. Distributions may also carry imputation or other tax credits.

You should read the following important information before making a decision to invest in The Fund: § "Investing and withdrawing". Go to Part A of the Information Booklet available at [www.fundhost.com.au](http://www.fundhost.com.au). Note the information may change between the time when you read this PDS and the day when you acquire the product.

## 3 BENEFITS OF INVESTING IN THE FUND

### Significant features

The Fund typically invests in a high conviction portfolio of 15 to 30 stocks listed on major global stock exchanges. The Fund's objective is to outperform the MSCI World Net Total Return Index, in Australian Dollars, over a rolling 5 year period, net of fees. Returns are not guaranteed.

### § Significant benefits

There are many benefits of investing in The Fund. Some of the significant benefits include:

- o the potential to generate capital growth over the medium to longer term as well as income from its investment in globally listed stocks

- o access to the investment expertise of Montaka Global
- o access to a proprietary approach to fundamental research
- o access to a high conviction portfolio of listed global companies that individual investors usually cannot achieve
- o generally, you can add to or withdraw your investment daily
- o the right to receive any distributions we make from The Fund and
- o having clear legal rights through a robust corporate governance structure.

You should read the following important information before making a decision to invest in The Fund: § "Benefits and features". Go to Part B of the Information Booklet available at [www.fundhost.com.au](http://www.fundhost.com.au). Note the information may change between the time when you read this PDS and the day when you acquire the product.

## 4 RISKS OF MANAGED INVESTMENT SCHEMES

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

### Significant risks

The significant risks of The Fund include:

- o **Concentration risk:** The Fund typically invests in a concentrated portfolio of 15 to 30 high conviction stocks listed on major global exchanges. The value of The Fund's investments may be more affected by any single adverse economic, political or regulatory event than a more diversified portfolio.
- o **Counterparty risk:** Losses can be incurred if a counterparty (such as a broker) defaults on their contractual obligations or experiences financial difficulty.

- o **Cyber risk:** There is a risk of fraud, data loss, business disruption or damage to the information of The Fund or to investors' personal information as a result of a threat or failure to protect the information or personal data stored within the IT systems and networks of Fundhost or other service providers.
- o **Derivatives risk:** Montaka Global may, on occasions, use derivatives. Derivative valuations may not move in line with the underlying asset and can be highly volatile. The use of derivatives may magnify any losses incurred.
- o **Fund risk:** The Fund could terminate (for example, at a date we decide), fees and expenses could change (although we would give you at least 30 days' notice where practicable if fees were to increase), we could be replaced as responsible entity and our management and staff could change. Investing in The Fund may give different results than investing individually because of accrued income or capital gains and the consequences of others investing and withdrawing.

- **Interest rate risk:** The capital value or income of a security held by The Fund may be adversely affected by interest rates movements.
- **International investment risk:** The Fund will invest in companies listed on overseas exchanges which may give rise to foreign currency exposure. The relative strength or weakness of the Australian dollar against other currencies will affect The Fund's performance and The Fund may have less protection under laws outside of Australia, and any investments in emerging markets may be more volatile than investments in more developed countries.
- **Investment management risk:** There is a risk that Montaka Global will not perform to expectation or factors such as changes to the investment team may affect The Fund's performance.
- **Liquidity risk:** Access to your money may be delayed (see Section 2 "How The Fund works" and "Delays" of this PDS). Overall market liquidity can make it difficult to trade profitably and to realise assets in a timely fashion to meet withdrawal requests. Units in The Fund are not quoted on any stock exchange so you cannot sell them through a stockbroker.
- **Market risk:** Economic, technological, climate, political or legal conditions, health issues such as pandemics, interest rates and even market sentiment, can (and do) change, and these changes can affect the value of the investments in The Fund.
- **Regulatory risk:** The value or tax treatment of The Fund or its investments, or the effectiveness of The Fund's investment strategy, may be adversely affected by changes in government (including taxation) policies, regulations and laws affecting registered managed investment schemes, or changes in generally accepted accounting policies or valuation methods.

### § Risks applicable to managed funds generally

Other significant risks relevant to many managed funds include the value of investments will vary, the level of returns will vary, future returns may differ from past returns, and returns are not guaranteed. You may lose your money.

The level of risk for each person will vary depending on a range of factors, including age, investment time frames, where other parts of your wealth are invested and your risk tolerance. These risks can be managed but cannot be completely eliminated. You can adopt tools to help you manage your own risk.

You should read the following important information before making a decision to invest in The Fund: § "Risks in general". Go to Part C of the Information Booklet available at [www.fundhost.com.au](http://www.fundhost.com.au). Note the information may change between the time when you read this PDS and the day when you acquire the product.

## 5 HOW WE INVEST YOUR MONEY

You should consider the likely investment return, risk and your investment timeframe when choosing a fund to invest in.

<b>FUND DESCRIPTION</b>	The Fund typically invests in a high conviction portfolio of 15 to 30 company names listed on major global stock exchanges. Montaka Global is a value investor dispassionately applying a highly disciplined and fact-based fundamental investment process, which focuses on investing in what Montaka Global regards as high quality businesses at attractive valuations.																		
<b>INVESTMENT RETURN OBJECTIVE</b>	<p>The Fund aims to provide investors with long term capital growth through a portfolio of quality global shares and to outperform the MSCI World Net Total Return Index, in Australian Dollars over a rolling 5-year period, net of fees.</p> <p>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 longer 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.</p> <p>§ Montaka Global has developed a proprietary approach to fundamental research to help achieve the investment return objective.</p>																		
<b>BENCHMARK</b>	MSCI World Net Total Return Index, in Australian Dollars.																		
<b>FUND'S INVESTMENTS AND ASSET ALLOCATION</b>	<p>The Fund will generally hold shares listed on the major global stock exchanges and some cash. The portfolio allocation will generally be:</p> <table border="1"> <thead> <tr> <th></th><th colspan="3">TARGET RANGE</th></tr> <tr> <th>Assets</th><th>Lower</th><th>Higher</th><th>Typical</th></tr> </thead> <tbody> <tr> <td>Global shares</td><td>80%</td><td>100%</td><td>95%</td></tr> <tr> <td>Cash</td><td>0%</td><td>20%</td><td>5%</td></tr> </tbody> </table> <p>Montaka Global adjusts the investment mix within the target ranges above. The "typical" position is where Montaka Global aims to have The Fund invested given a fairly valued investment market. All other things being equal, the "typical" position would be the investment mix of The Fund.</p> <p>The cash component of the portfolio may be allowed to build to a level of 20% during periods when the Montaka Global investible universe is unappealing in terms of margin of safety or in anticipation of extreme market dislocation. Montaka Global may also contemplate protecting the value of The Fund by, for example, buying put options over the major global stock exchange indices.</p> <p>Remember the investment mix can change within the ranges significantly and sometimes quickly. Ask your adviser or contact us for the latest investment mix and size of The Fund.</p>				TARGET RANGE			Assets	Lower	Higher	Typical	Global shares	80%	100%	95%	Cash	0%	20%	5%
	TARGET RANGE																		
Assets	Lower	Higher	Typical																
Global shares	80%	100%	95%																
Cash	0%	20%	5%																
<b>RECOMMENDED MINIMUM INVESTMENT PERIOD</b>	At least 7 years																		
<b>BORROWING</b>	The Fund will not borrow. Derivatives will not be used to gear The Fund.																		

<b>RISK</b>	High
<b>SUITABILITY</b>	The Fund is generally suited for persons seeking long-term capital growth and those who can tolerate a high level of risk. You should speak with your financial adviser before investing in The Fund.
<b>LABOUR AND ENVIRONMENTAL, SOCIAL OR ETHICAL CONSIDERATIONS</b>	§ Montaka Global does take into account labour standards and environmental, social and ethical considerations in the selection, retention or realisation of investments.

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

### Example of annual fees and costs

You should read the following important information before making a decision to invest in The Fund: § "The investment process" and "Labour and environmental, social and ethical considerations". Go to Part D of the Information Booklet available at [www.fundhost.com.au](http://www.fundhost.com.au). Note the information may change between the time when you read this PDS and the day when you acquire the product.

## 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 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.

Information in the following table can be used to compare costs between different managed investment schemes. Generally, fees and costs may be paid directly from your investment returns or from The Fund's assets as a whole.

### Fees and costs summary

#### Montaka Global Long Only Fund

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<b>Management fees and costs<sup>2</sup>*</b> The fees and costs for managing your investment	1.27% pa	Calculated and accrued daily and paid monthly in arrears.
<b>Performance fees*</b> Amounts deducted from your investment in relation to the performance of the product	0.18% pa	Calculated and accrued daily and paid semi-annually in arrears.
<b>Transaction costs*</b> The costs incurred by the scheme when buying or selling assets	0.03% pa	These costs are expressed net of any amount recovered by the buy-sell spread and are generally paid as incurred.
<b>Member activity related fees and costs (fees for services<sup>3</sup> or when your money moves in or out of the scheme)</b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the scheme	+0.25% / -0.25%	Calculated as a percentage of the mid unit-price. Paid from investors' money when an investor applies to purchase or redeem units. Retained by The Fund.
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Switching fee</b> The fee for changing investment options	Nil	Not applicable

<sup>1</sup>All fees are expressed as a percentage of net asset value of The Fund excluding accrued fees.

<sup>2</sup>A portion of this fee can be negotiated with wholesale clients only.

<sup>3</sup>For information on service fees, please see "Additional explanation of fees and costs".

\*Any item marked with an asterisk (\*) is an estimate. Please refer to our website for any updates on these estimates which are not considered to be materially adverse from a retail investor's point of view.



This table gives an example of how the ongoing fees and costs for The Fund can affect your investment over a one-year period. You should use this table to compare The Fund with other managed investment schemes.

EXAMPLE	BALANCE OF \$50,000 INCLUDING A CONTRIBUTION OF \$5,000 DURING THE YEAR	
CONTRIBUTION FEES	Nil	For every additional \$5,000 you put in, you may be charged or have deducted from your investment \$0.
PLUS Management fees and costs*	1.27% pa	And, for every \$50,000 you have in The Fund you will be charged or have deducted from your investment \$636 each year.
PLUS Performance fees*	0.18% pa	And, you will be charged or have deducted from your investment \$89 in performance fees each year.
PLUS Transaction costs*	0.03% pa	And, you will be charged or have deducted from your investment \$16 in net transaction costs each year.
EQUALS COST OF THE FUND	1.48% pa	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 <b>\$740</b> each year. <b>What it costs you will depend on the fees you negotiate.</b>

When calculating ongoing annual fees and costs in this table, the law says we must assume that the value of your investment remains at \$50,000 and The Fund's unit price does not fluctuate. Ongoing annual fees and costs actually incurred will depend on the market value of your investment and the timing of your contributions (including any reinvestment of distributions). The example assumes no abnormal expenses are incurred, no service fees are charged and that fees are not individually negotiated. The fact that a performance fee was paid or not paid in the example however is not a representation of likely future performance. The actual performance fee and therefore the total cost of The Fund in the future will depend on the performance of Montaka Global. Totals may appear incorrect due to rounding.

\*Any item marked with an asterisk (\*) is an estimate. Please refer to our website for any updates on these estimates which are not considered to be materially adverse from a retail investor's point of view.

If you would like to calculate the effect of fees and costs on your investment you can visit the ASIC website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) and use their managed investment fee calculator.

## § Additional explanation of fees and costs

### About management fees and costs

Management fees and costs include Fundhost's fees, Montaka Global's fees, custody fees, ordinary and abnormal expenses and any indirect costs. Fees payable to Fundhost and Montaka Global are calculated and accrued daily based on the net asset value of The Fund excluding accrued fees and are paid monthly in arrears. Management fees and costs paid out of Fund assets reduce the net asset value of The Fund and are reflected in the unit price. Management fees and costs exclude transaction costs (i.e. costs associated with investing the underlying assets, some of which may be recovered through buy-sell spreads).

Indirect costs form part of management fees and costs and include fees and expenses arising from any investment which qualifies as an interposed vehicle (e.g. any underlying fund that The Fund may invest in) and certain OTC derivative costs. The Fund's indirect costs are based on the financial year ending 30 June 2022 and are estimated to be nil. Actual indirect costs for future years may differ.

The ordinary expenses for The Fund are estimated to be 0.02% per annum of the net assets of The Fund. These are the ordinary and every day expenses incurred in operating The Fund and are deducted from the assets of The Fund as and when they are incurred. The constitution of The Fund provides that expenses incurred by us in relation to the proper performance of our duties in respect of The Fund are payable or reimbursable out of the assets of The Fund and are unlimited. We reserve the right to recover abnormal expenses from The Fund. Abnormal expenses are expected to occur infrequently and may include (without limitation) costs of litigation to protect investors' rights, costs to defend claims in relation to The Fund, investor meetings and termination and wind up costs.

### Performance fee

A Performance Fee is payable to Montaka Global in respect of each 6 monthly period ending 30 June or 31 December when the investment performance of The Fund is positive and exceeds the benchmark, being the performance of the MSCI World Net Total Return Index, in Australian Dollars (Index).

The Performance Fee is 15.38% of the total return of The Fund after management fees and costs have been deducted, that is in excess of the Index return, and is calculated daily and paid semi-annually

in arrears. When the total return of The Fund is less than the Index return, no performance fee is payable. No performance fee is payable until any previous periods of underperformance have been made up.

When the absolute return of The Fund is negative but The Fund has performed better than the Index, the relative outperformance of The Fund in percentage terms is carried forward to ensuing period(s).

Performance fees are paid out of Fund assets and reduce the net asset value of The Fund. Estimated performance fees are reflected in the unit price.

### Transaction costs

Transaction costs include brokerage, settlement costs and clearing and stamp duty costs. When you invest in The Fund, Montaka Global may buy investments, and incur these costs. When you withdraw, Montaka Global may sell investments so we can pay your cash to you, and incur these costs. These costs are also incurred in connection with day to day trading within The Fund.

Some of these costs are recovered through the buy-sell spread. A buy-sell spread is an adjustment to the unit price reflecting our estimate of the transaction costs that may be incurred as a result of the purchase/sale of assets arising from the buying/selling of units. This adjustment ensures that existing investors do not pay costs associated with other investors acquiring/ withdrawing units from The Fund. The buy-sell spread is reflected in the buy/sell unit price. Currently, our buy-sell spread is estimated to be 0.50% of the unit price (that is +0.25% on the entry price and -0.25% on the exit price). So if the net asset value of each unit is \$1.00, on entry we adjust the unit price up approximately 0.25% (up 0.25 cents) and on exit we adjust the unit price down approximately 0.25% (down 0.25 cents). The buy-sell spread is not paid to Fundhost or Montaka Global.

TRANSACTION COSTS FOR FY 2022	RECOVERY THROUGH BUY-SELL SPREAD	NET TRANSACTION COSTS
0.12%	0.09%	0.03%

Our estimate of the total transaction costs for The Fund during

the year ended 30 June 2022 was calculated using The Fund's actual transactions during the last financial year. We expect this amount to vary from year to year as it will be impacted by The Fund's volume of trading, brokerage arrangements and other factors. The amount recovered through the buy-sell spread was calculated using actual applications and redemptions during the last financial year. We expect this amount to vary from year to year as it will be impacted by the volume of applications and withdrawals and any changes in the buy-sell spread for The Fund. The net transaction costs is the difference between these two amounts. All of these amounts are expressed as a percentage of The Fund's average net asset value for the year. Based on an average account balance of \$50,000 over a one year period, the net transaction costs represent approximately \$16.

#### Service fees

If you need Fundhost to do something special for you, we may charge you a fee. These special fees vary depending on what you ask us to do.

#### Can the fees change or be updated?

Yes, all fees can change. Reasons might include changing economic conditions and changes in regulation. However, we will give you 30 days' written notice of any increase to fees where practicable. The constitution for The Fund sets the maximum amount we can charge for all fees. If we wished to raise fees above the amounts allowed for in The Fund's constitution, we would need the approval of investors.

Please refer to our website for any updates on our estimates of any fees and costs (including indirect costs and transaction costs) which are not considered to be materially adverse from a retail investor's point of view. Remember, past performance is not an indicator of future performance and any fee or cost for a given year may not be repeated in a future year.

#### Adviser remuneration

No commissions will be paid by us to financial advisers. Additional fees may be paid by you to your financial adviser if one is consulted. You should refer to the Statement of Advice they give you in which details of the fees are set out.

You should read the following important information before making a decision to invest in The Fund: § "Additional explanation of fees and costs". Go to Part E of the Information Booklet available at [www.fundhost.com.au](http://www.fundhost.com.au). Note the information may change between the time when you read this PDS and the day when you acquire the product.

## 7 HOW MANAGED INVESTMENT SCHEMES ARE TAXED

§ Investing in a registered managed investment scheme (like The Fund) is likely to have tax consequences and you are strongly advised to seek professional tax advice. Registered

managed investment schemes (like The Fund) do not pay tax on behalf of unit holders. Unit holders are assessed for tax on any income and capital gains generated by The Fund.

You should read the following important information before making a decision to invest in The Fund: § "Paying tax". Go to Part F of the Information Booklet available at [www.fundhost.com.au](http://www.fundhost.com.au). Note the information may change between the time when you read this PDS and the day when you acquire the product.

## 8 HOW TO APPLY

### How to invest

You generally need to invest at least \$25,000 initially. Use the application form accompanying this PDS. The application form contains detailed instructions and will ask you to provide the identification documents required under the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (AML CTF Act). We do not earn interest, nor do we pay you interest on application monies held prior to the time we issue units to you. Additional investments can be made at any time in writing, generally the minimum amount for additional investments is \$5,000. You may also arrange to add to your initial investment by applying for our direct debit monthly savings plan, requiring a minimum investment of \$500 per month. This is processed on the 15th of each month or the next business day. To apply for this, fill out the direct debit instruction on the application form and see the Terms and Conditions.

### Cooling off

If you decide that you don't want the units we have issued you in The Fund, we must repay your money to you.

We are allowed to (and generally do) make adjustments for market movements up or down, as well as any tax and reasonable transaction and administration costs. For example, if you invest \$25,000 and the value of the units falls by 1% between the time you invest and the time we receive notification that you wish to withdraw your investment, we may charge you

on account of the reduced unit value and you would incur a buy spread of +0.25% and a sell spread of -0.25%. This means that \$24,626 would be transferred from The Fund back to you.

If you change your mind, you have 14 days to tell us, starting on the earlier of when we send you confirmation that you are invested or the end of the 5th day after the day on which we issue the units to you.

This right terminates immediately if you exercise a right or power under the terms of the product, such as transferring your units or voting on any units held by you. For any subsequent investments made under a distribution reinvestment plan, cooling off rights do not apply.

### Enquiries and complaints

Contact us during business hours (9am to 5pm Sydney business days). Our details are at the beginning of this PDS. It helps us if you have your investor number to hand when you contact us.

If you have a complaint, it is better it be made in writing although you can always call us of course. Complaints will always be acknowledged and responded to within 14 days. If you have invested through an IDPS, you can access Fundhost's complaints procedures directly.

If you are unhappy with our response to your complaint you can contact the independent Australian Financial Complaints Authority (AFCA).

AFCA		
MAIL Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001		
TELEPHONE 1800 931 678 (free call)	EMAIL <a href="mailto:info@afca.org.au">info@afca.org.au</a>	WEBSITE <a href="http://www.afca.org.au">www.afca.org.au</a>

AFCA operations will be financed by contributions made by its members, including Fundhost. AFCA is free to consumers. For information on the AFCA Rules governing its jurisdiction and processes, please refer to [www.afca.org.au](http://www.afca.org.au).

## 9 MORE INFORMATION

### Fund performance and size

If you are interested in:

- o up to date performance of The Fund
- o the latest investment mix of The Fund
- o current unit prices or
- o the current size of The Fund,

then ask your financial adviser or go to [www.fundhost.com.au](http://www.fundhost.com.au).

Your financial adviser will give you paper copies of the information free of charge. You can always call us, our details are at the beginning of this PDS. Again, up to date information is always free of charge.

Don't forget that any past returns are just that, just because they happened doesn't mean they will happen again. Returns are volatile and may go up and down significantly and sometimes quickly.

### Investing via an IDPS

When you invest via an IDPS, it is the IDPS operator which becomes the investor in The Fund (not you). It follows that the IDPS operator has the rights of an investor and can exercise them (or not) in accordance with their arrangements with you. This means for example, that you generally cannot vote on units held in The Fund and you do not have cooling off rights in respect of any units held in The Fund. Speak with the IDPS operator to determine whether any cooling off rights are available to you through the service.

We are not responsible for the operation of any IDPS through which you invest.

Indirect investors complete the application forms for the IDPS and receive reports from that operator, not from us. The minimum investment, balance and withdrawal amounts may be different. You should also take into account the fees and charges of the IDPS operator as these will be in addition to the fees paid in connection with an investment in The Fund.

Enquiries and complaints about the IDPS should be directed to the IDPS operator and not to us. You can however still rely on the information in this PDS. In addition to reading this PDS, you should read the document that explains the IDPS.

All investors (regardless of whether you hold units in The Fund directly or hold units indirectly via an IDPS), are able to access Fundhost's complaints procedures outlined in the PDS. For indirect investors, if your complaint concerns the operation of the IDPS, you should contact the IDPS operator directly.

### Keeping you informed

We will:

- o confirm every transaction you make (except savings plan transactions)
- o soon after June each year send you a report to help you with your tax return

- o each year (around September) make the accounts of The Fund available to you on our website
- o send you your annual statement and
- o notify you of any material changes to this PDS and any other significant event as required by law.

The Fund has 100 investors or more, and so is considered a "disclosing entity" for the purposes of the Corporations Act. This means The Fund is subject to regular reporting and disclosure obligations. Copies of any documents lodged with ASIC in relation to The Fund may be obtained from, or can be inspected at, an ASIC office. Investors have a right to obtain a copy, free of charge, in respect of The Fund, of the most recent annual financial report and any half-yearly financial report lodged with ASIC after that most recent annual financial report, but before the date of this PDS.

When Fundhost becomes aware of material information, we will ensure this will be made available as soon as practicable on our website [www.fundhost.com.au](http://www.fundhost.com.au).

If you would like hard copies of this information, call Fundhost on + 61 (0)2 8223 5400 and we will send it to you free of charge.

On our website you can also find information about your rights to choose whether you receive certain information documents from us in hard copy or electronic form and choose whether or not to have annual financial report documents sent to you. If your preferences change you can contact us at anytime.

### § Privacy

We use personal information about you to administer your investment and also to conduct research.

### § AML CTF Act

In order to meet our obligations under the AML CTF Act or taxation legislation, we may require further information from you as to identity, the source of your funds and similar matters. Fundhost is required to verify that information by sighting appropriate documentation.

### Consents

Montaka Global and NAB have each given, and as at the date of this PDS have not withdrawn, their consent to inclusion in the PDS of the statements concerning each of them in the form and context in which they are included. NAB's role as custodian is limited to holding the assets of The Fund as Fundhost's agent. NAB has no supervisory role in relation to the operation of The Fund and is not responsible for protecting your interests.

### § Information for New Zealand investors

This offer to New Zealand (NZ) investors is a regulated offer made under Australian and NZ law and is principally governed by Australian rather than NZ law. There are differences in how securities are regulated under Australian law. The rights, remedies, and compensation arrangements that apply to Australian securities may differ to those available for investments in NZ securities.

You should read the following important information before making a decision to invest in The Fund: § "Privacy", § "Anti-money laundering" and § "Information for New Zealand investors". Go to Part G of the Information Booklet available at [www.fundhost.com.au](http://www.fundhost.com.au). Note the information may change between the time when you read this PDS and the day when you acquire the product.



# FUNDHOST LTD

ABN 69 092 517 087 | Australian Financial Services Licence (AFSL) 233045



Montaka Global Pty Ltd ABN 62 604 878 533 | AFSL 516 942

## Information Booklet

**Dated 1 March 2023**

The information in this document forms part of the product disclosure statement dated 1 March 2023 and issued by Fundhost Limited as responsible entity of

# Montaka Global Long Only Fund

ARSN 604 883 418 | APIR FHT0036AU

### Responsible Entity

**Fundhost Ltd**

PO Box N561

Grosvenor Place NSW 1219

Australia

+61 2 8223 5400 (T)

+61 2 9232 8600 (F)

admin@fundhost.com.au

www.fundhost.com.au

### Investment Manager

**Montaka Global Pty Ltd**

Suite 101, 490 Crown Street

Surry Hills NSW 2010

Australia

+61 2 7202 0100 (T)

office@montaka.com

www.montaka.com

## About this Information Booklet

The information in this Information Booklet forms part of the Product Disclosure Statement (PDS) issued by Fundhost Ltd (**Fundhost, we or us**) as responsible entity of the Montaka Global Long Only Fund, ARSN 604 883 418 (**The Fund**) and dated 1 March 2023.

Defined terms used in the PDS have the same meaning in this Information Booklet unless stated otherwise.

We recommend that you keep a copy of the PDS for The Fund and this Information Booklet handy for future reference.

The information contained in the PDS and this Information Booklet is general information only and has been prepared without taking into account your personal objectives, financial situation or needs. You should read this Information Booklet together with the PDS (in their entirety) before making a decision to invest in The Fund. You should consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances before proceeding to acquire or dispose of units in The Fund.

You can access the PDS and this Information Booklet on our website at [www.fundhost.com.au](http://www.fundhost.com.au) or [www.montaka.com](http://www.montaka.com). Fundhost will provide you, free of charge, a paper copy of the PDS and this Information Booklet upon request when you contact us on +61 (0)2 8223 5400.

NAB's role as custodian is limited to holding the assets of The Fund as Fundhost's agent. NAB has no supervisory role in relation to the operation of The Fund and is not responsible for protecting your interests.

NAB has no liability or responsibility to you for any act done or omission made in accordance with the terms of the Custody Agreement. NAB makes no statement in the PDS or this Information Booklet and has not authorised or caused the issue of it.

Investments of The Fund do not represent investments in, deposits with or other liabilities of, NAB or any other member of the NAB group of companies (**NAB Group**). Neither NAB, nor any other member of NAB Group, in any way stands behind the capital value, nor do they guarantee the performance of the investment or the underlying assets of The Fund, or provide a guarantee or assurance in respect of the obligations of Fundhost or its related entities.

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# PART A

## HOW THE FUND WORKS

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### Investing and withdrawing

#### Investing

To invest in The Fund, use the application form accompanying the PDS. Additional investments can be made at any time in writing and will generally be processed daily.

#### Distributions

Any distributions reinvested are reinvested at the ex-distribution mid-price. The ex-distribution mid-price is calculated by taking the value of the investments of The Fund and taking away the value of the liabilities as defined in The Fund's constitution including the provision for distribution. We make no adjustment for costs of buying or realising investments (called a buy-sell spread). We divide the result of this by the number of units we have on issue. These steps give us a per unit price used in connection with reinvestment of distributions.

#### Withdrawing

Units in The Fund are not listed on any stock exchange like the ASX, so you cannot sell your units through a stockbroker.

If you want to withdraw your money, simply contact us in writing and tell us how much you need to withdraw. This is called a redemption request.

We accept scanned or faxed redemption requests on the following conditions:

- o all instructions must be legible
- o instructions must bear your investor number and signature and
- o redemption proceeds will only be transferred to the financial institution account previously nominated on the application form.

To use this service you will need to accept full responsibility (to the extent permitted by law) for loss arising from us acting upon faxed or scanned instructions which comply with these security processes and you also agree to release and indemnify us in respect of any liabilities arising from us acting on faxed or scanned instructions (including future instructions), even if those instructions are not genuine. Also you agree that neither you nor any other person has any claim against us in relation to a payment made or action taken under the facsimile or scanned instruction service if the payment is made in accordance with these conditions. These terms and conditions are additional to any other requirements for giving redemption instructions.

The amount of money you receive is determined by the unit price we calculate at the time of your redemption request. We can withhold from amounts we pay you any amount you owe us or we owe someone else relating to you (for example, the tax office).

We generally pay all redemption proceeds in cash, but we are permitted under the constitution for The Fund to pay proceeds in kind (i.e. in specie share transfer).

### Delays

In certain circumstances we may need to delay withdrawal of your money. We can delay withdrawal of your money for 180 days or such period as considered appropriate in our view in all the circumstances if:

- o there are not enough investments which we can easily turn into cash (the law dictates this). We don't anticipate The Fund would ever become illiquid but if it did, the law says we can (if we wish) make some money available, and requires us to allocate it on a pro rata basis amongst those wanting to exit
- o we receive a quantity of withdrawal requests representing more than 20% of the value of the investments of The Fund. In this case we can stagger withdrawal payments

In certain circumstances we can also delay withdrawal of your money for so long as the relevant event continues. The constitution sets out the full range of circumstances in which we can delay withdrawal of your money and these include (among others) if:

- o something outside our control affects our ability to properly or fairly calculate the unit price (for example, if the investments are subject to restrictions or if there is material market uncertainty like a stock market crash)
- o a portion of The Fund's assets comprise illiquid assets (that is, assets not readily converted to cash). In this case Fundhost can redeem such number of units that correspond to the portion of The Fund's liquid assets (that is, assets readily converted to cash). For example, if an investor requests redemption of all of their units and The Fund's assets comprise 10% of illiquid assets, Fundhost may determine to redeem only 90% of the investor's units. Fundhost may redeem the remaining units at such future time, or at times over such period, as it determines
- o an emergency or similar state of affairs occurs which, in our reasonable opinion, makes it impractical to redeem units or which might be prejudicial to the remaining investors
- o there is a closure or material restriction on trading on the major global stock exchanges or realisation of the assets cannot be effected at prices which would be obtained if assets were realised in an orderly fashion over a reasonable period in a stable market or
- o we otherwise consider it is in the best interests of the investors to delay withdrawal of units.

#### **We can give you back your invested money without you asking**

In certain circumstances we can, or may be required to, also redeem some or all of your units without you asking. These circumstances include:

- o if you breach your obligations to us (for example, you provide misleading information in your unit application form)
- o to satisfy any amount of money due to us (as responsible entity or in any other capacity relevant to The Fund) by you
- o to satisfy any amount of money we (as responsible entity or in any other capacity relevant to The Fund) owe someone else relating to you (for example, to the tax office)
- o where we suspect that law prohibits you from legally being an investor or
- o such other circumstance as we determine in our absolute discretion (but we must always act in the best interests of investors as a whole when deciding to do this).

#### **How we calculate unit prices**

We calculate unit prices in three steps:

1. we calculate the value of the investments of The Fund and take away the value of the liabilities as defined in The Fund's constitution
2. we divide this result by the number of units we have on issue to obtain the unit mid-price
3. we then make an adjustment (up for the entry price, to take account of the costs of buying investments or down for the exit price to take account of the costs of realising investments) called a buy-sell spread. The buy-sell spread does not represent a fee to Fundhost or Montaka Global and is discussed in more detail in "Additional explanation of fees and costs" in the PDS.

These steps give us a price per unit.



# PART B

## BENEFITS OF INVESTING IN THE FUND

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### Benefits and features

#### Experience

Managed funds pool investors' money in one place, and the professionals who manage The Fund (being Montaka Global) use their resources, experience and expertise to make the investment decisions.

Montaka Global is a boutique investment manager investing in international companies. Montaka Global holds AFSL 516 942. Montaka Global also manages the Montaka Global Fund. Montaka Global has combined funds under management of approximately \$200 million.

The team at Montaka Global including Andrew Macken and Christopher Demasi have a substantial shareholding in the company.

The Montaka Global investment team members have extensive international investment experience having worked at highly regarded and well recognized fund managers in the United States.

Andrew Macken is Chief Investment Officer and Lead Portfolio Manager of Montaka Global. Andrew joined Montgomery Investment Management in March 2014 after spending nearly four years at Kynikos Associates LP in New York as a senior member of the research team. Prior to this, Andrew was a management consultant at Port Jackson Partners Limited in Sydney for nearly four years, focusing on strategy for clients in Australia and abroad.

Andrew holds a Master of Business Administration (Dean's List) from the Columbia Business School in New York. Andrew was a member of the elite Applied Value Investing program, the basis of which stems from the teachings of Benjamin Graham and David Dodd at the Columbia Business School in the 1920s. Andrew also holds a Master of Commerce and a Bachelor of Engineering with First Class Honours from the University of New South Wales, Sydney, under the Co-Op scholarship program.

Christopher Demasi is a Co-Portfolio Manager of The Fund and has over ten years of experience in investment analysis. Christopher joined Montgomery Investment Management in January 2015 after spending more than four years at LFG, the private investment group of the Lowy family, where he was most recently a senior member of the research team based in New York. Prior to this Christopher worked as a research analyst at One East Partners, a hedge fund based in New York, and as an investment banker at Goldman Sachs in Sydney.

Christopher holds a Bachelor of Commerce with Distinction, majoring in Actuarial Studies and Finance, from the University of New South Wales, Sydney, under the Co-Op scholarship program.

#### Risk management

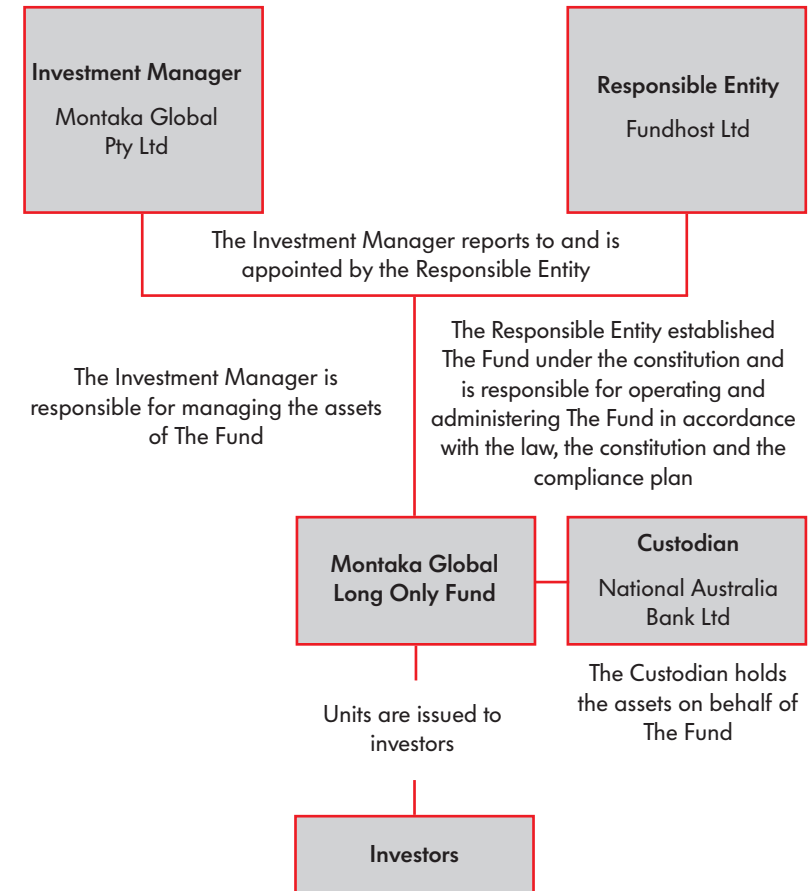
Depending on the type of investments a fund chooses to focus on, your decision to invest in one or perhaps more managed funds can be a good way to help better manage the impact of risk on your investments. Spreading risk often reduces the highs and lows of investment performance and helps reduce the impact on you of one or more types of investments performing poorly.

### Corporate governance

Under the Australian Corporations Act and The Fund documents, investors are provided with several layers of independent oversight providing a robust and appropriate corporate governance structure. The structure provides additional investor safeguards through the separation of duties, specialisation of expertise, clear lines of responsibility and layered approval processes.

The Fund is operated and administered by a responsible entity (Fundhost) that holds an appropriate AFSL. Fundhost has appointed NAB as the independent custodian to hold the assets of The Fund. Fundhost has appointed Montaka Global as the investment manager of The Fund.

The following diagram summarises the management and governance structure of The Fund.



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### **Clear legal rights**

The constitution establishes The Fund and sets out the rules. Together with the PDS and the law from time to time, it governs your relationship with Fundhost and provides you with your (and our) legal rights.

The constitution gives Fundhost rights to be paid fees and expenses and to be indemnified from The Fund. It governs (amongst other things) Fundhost's powers, (which are very broad), investor meetings and unit issue, pricing and withdrawal, as well as what happens if The Fund terminates.

The constitution limits Fundhost's need to compensate you if things go wrong. Generally, subject always to liability which the Corporations Act imposes, Fundhost is not liable in equity, contract, tort or otherwise to investors for any loss suffered in any way relating to The Fund.

The constitution also contains a provision that it alone is the source of the relationship between you and Fundhost and not any other laws (except, of course, those laws that cannot be excluded).

Fundhost must have investor approval to make changes to the constitution that are adverse to the rights of investors.

You can obtain a free copy of The Fund's constitution by calling Fundhost.

# PART C

## RISKS OF MANAGED INVESTMENT SCHEMES

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### Risks in general

#### About risk and return

All investments are subject to varying risks and the value of your investment can decrease as well as increase (i.e. you can experience investment gains or investment losses).

Investment returns are affected by many factors including market volatility, interest rates, climate and economic cycles. Changes in value can be significant and they can happen quickly.

Different types of investments perform differently at different times and have different risk characteristics and volatility.

These are some of the reasons why you should consider investing in several different types of investments (often called diversification).

The significant risks associated with investing in this Fund are discussed in the PDS. We cannot eliminate all risks and cannot promise that the ways they are managed will always be successful. However, Montaka Global's process is an important step in managing many of these risks.

The performance of The Fund will be influenced by many factors, some of which are outside the control of Fundhost and Montaka Global.

If these risks materialise, your distributions may be lower than expected or there may be none. The value of your investment could fall and you could lose money.

#### Ways to manage your risk

You can help manage your own risks too. You can:

- o know your investment goals and your risk tolerance
- o understand risk and return and be comfortable that an investment may not give you the outcomes you hope for
- o diversify your investments (that is, don't invest all your monies in The Fund)
- o invest for at least the recommended timeframe
- o keep track of your investment and
- o speak with a financial adviser and make sure The Fund is the right investment for you.

# PART D

## HOW WE INVEST YOUR MONEY

### The investment process

The Fund invests principally in companies listed on major global stock exchanges. The Fund seeks to generate capital growth and to outperform the MSCI World Net Total Return Index in Australian Dollars over the medium to long term, net of fees.

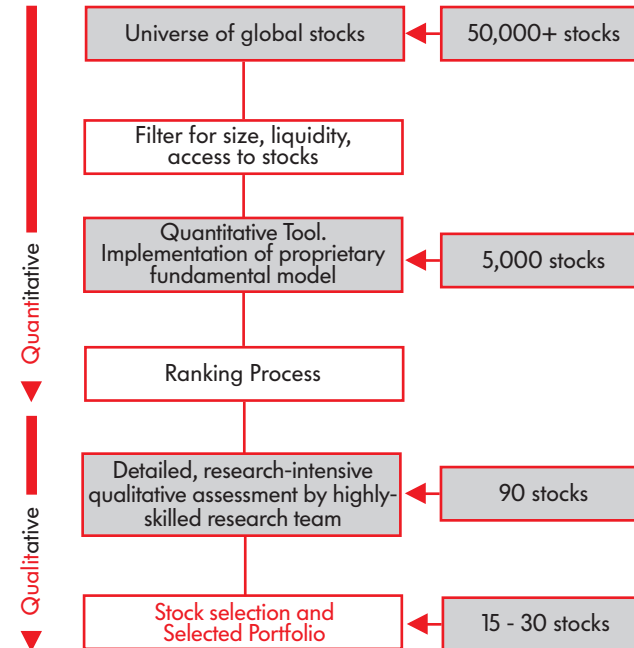
Montaka Global is a value investor dispassionately applying a highly disciplined and fact-based investment process. The Fund is focused on investing in what Montaka Global regards as high quality businesses with attractive prospects at attractive valuations.

Market timing, forecasting or predicting share prices does not form part of the investment process. Returns are not guaranteed.

The following diagram illustrates the investment process of The Fund.

The investment universe of globally listed stocks is initially filtered for size, liquidity and access constraints. The remaining set of globally listed stocks is analysed by The Fund's quantitative tool, which implements a proprietary fundamental model that has been developed over a number of years. The tool arranges the universe of stocks into an order, from best to worst, based on the proprietary fundamental model. This serves as an extremely useful tool to help allocate research team resources as efficiently as possible.

### MONTAKA GLOBAL LONG ONLY FUND INVESTMENT PROCESS





The Fund's highly skilled research team will then spend considerable time researching and analysing the candidates that are deemed to have the highest potential for outsized returns with limited downside. There are many dimensions to this qualitative assessment of each individual stock, including: competitive assessment, business model dissection, detailed financial statement and accounting analysis, industry analysis, peer group comparison, valuation analysis, external feedback - including management team meetings, and risk assessments.

Successful candidates will be characterised by high business quality, with attractive prospects, trading at a price that is deemed to be below Montaka Global's assessment of intrinsic value. Montaka Global seeks to invest with a significant "margin of safety" ensuring the risk of permanent capital impairment is minimised.

The Fund is expected to typically hold 15 to 30 individual company names. If an insufficient number of individual company names are appealing, Montaka Global may consider the overall market 'expensive' and in an effort to preserve the market value of the portfolio, may allow the cash component of the portfolio to build.

Cash may represent as much as 20% of The Fund during periods when the Montaka Global investible universe is unappealing in terms of margin of safety or in anticipation of extreme market dislocation.

Montaka Global may also contemplate protecting the market value of The Fund by, for example, buying options over selected major stock market indices.

While The Fund seeks to retain holdings for the long term, individual holdings may be sold, for example, when their share prices experience excessive or unjustified exuberance, where the company no longer meets its investment criteria or a deterioration in a company's prospects is expected, or where better opportunities become available.

#### **Labour and environmental, social and ethical considerations**

Montaka Global takes into account labour standards, and environmental, social and ethical considerations when selecting, retaining and realising investments for The Fund (referred to as Environmental, Social and Governance in the Montaka Global Responsible Investment Policy). Montaka Global has always believed in supporting positive change across the key dimensions of Environmental, Social and Governance (ESG).

Montaka Global's Responsible Investment Policy objectives are to define, integrate and adhere to a set of ESG principles and practices that will:

- (i) help improve global ESG practices;
- (ii) enhance Montaka Global's investment and risk management processes; and
- (iii) that are seen to be unquestionably sensible in the eyes of Montaka Global's employees, shareholders, and investors.

Montaka Global has adopted a 'hybrid-methodology' approach to responsible investing. Specifically, Montaka Global's approach incorporates elements of:

- (i) exclusion-based ESG investing;
- (ii) integration-based ESG investing; and
- (iii) engagement-based ESG investing

(as described in the Montaka Global Responsible Investment Policy).

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Montaka Global's Responsible Investment Policy is integrated into its investment process – from idea generation, to research to portfolio management. Montaka Global does not have a predetermined view about how far ESG considerations will be taken into account when selecting, retaining and realising investments for The Fund (i.e. there is no specific methodology which is applied across all investment opportunities). Montaka Global will typically take into account ESG considerations which it becomes aware of, but only to the extent that they financially affect The Fund's investments. Montaka Global takes into account ESG standards when selecting, retaining and realising investments for The Fund by:

- o applying negative screening to investments based on the factors described in the appendix to Montaka Global's Responsible Investment Policy (limited to companies that are directly associated with the relevant ESG standards);
- o evaluating the effect of ESG standards on the expected risk and return of investments; and
- o exercising voting rights with a view to influencing the ESG policies of the companies in which The Fund invests.

Montaka Global performs quarterly monitoring of the ESG considerations which are applicable to The Fund's investments (or more frequently if it becomes aware of any event likely to have a material impact on the ESG considerations applicable to a particular investment). Where there is a material change in the ESG considerations applying to a particular investment, Montaka Global will consider whether to retain or dispose of the investment on a case by case basis.

A detailed description of Montaka Global's approach to responsible investing, including integration into the investment process, descriptions of the ESG elements described above and a checklist for ESG areas of investigation and evaluation can be found in the Montaka Global Responsible Investment Policy at: <https://montaka.com/responsible-investing-esg-practices-adopted/> and [www.fundhost.com.au](http://www.fundhost.com.au)

### Additional explanation of fees and costs

#### Can fees be different for different investors?

The law allows us to negotiate fees with “wholesale” investors or otherwise in accordance with ASIC requirements. The size of the investment and other relevant factors may be taken into account. We generally don't negotiate fees. However, Montaka Global may negotiate fees with very large wholesale clients only. The terms of these arrangements are at our discretion.

#### What are the costs of investing and withdrawing from The Fund?

We have a documented policy in relation to the guidelines and relevant factors taken into account when calculating unit prices and the buy-sell spread. We call this our unit pricing policy. We keep records of any decisions which are outside the scope of the unit pricing policy, or inconsistent with it. A copy of the unit pricing policy and records is available free on request.

#### Government charges and taxation

Government taxes such as GST will be applied to your account as appropriate. In addition to the fees and costs described in the PDS, standard government fees, duties and bank charges may also apply such as stamp duties. Some of these charges may include additional GST and will apply to your investments and withdrawals as appropriate.

The fees outlined in the PDS take into account any GST net of reduced input tax credits which may be available.

# PART F

## HOW MANAGED INVESTMENT SCHEMES ARE TAXED

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### Paying tax

In all likelihood you will need to pay tax in relation to your investment in this Fund. Generally you will pay income or capital gains tax, but you might be able to claim some tax credits or have the benefits of some concessions.

Your tax liability ultimately depends on your circumstances, for example, whether you are an Australian resident. So it is important that you seek professional advice before you invest or deal with your investment.

We will send you the information you need each year to help you to complete your tax return.

We will distribute income and capital gains, if any, shortly after 30 June each year. Distributions could comprise:

- o income (like dividends and interest)
- o net taxable capital gains (from the sale of The Fund's investments) and
- o tax credits (like franking credits attached to dividend income and credits for tax paid on foreign income).

Additionally, Australian residents are generally subject to capital gains tax on gains when they withdraw any money or transfer units.

Depending on the kind of taxpayer you are, and how long you have held your units, you may be entitled to a capital gains concession which can reduce the liability by up to one half.

If you choose not to provide us with your Tax File Number (TFN) or Australian business number (ABN) and don't have an exemption, we must deduct tax at the highest personal rate, plus the Medicare levy, before passing on any distribution to you. The law is very strict on how we can use these details.

Fundhost has elected to operate The Fund under the Attribution Managed Investment Trust (AMIT) regime. As an AMIT The Fund can attribute amounts of income and tax offsets to investors on a fair and reasonable basis. There is also an ability to adjust the cost base of an investor's interest in The Fund upwards or downwards.

### Privacy

We collect and use personal information about you to administer your investment and also to conduct research.

By applying for units in The Fund you consent and agree to information about you being obtained and used by us. Fundhost will collect and use your information in accordance with our Privacy Policy, a copy of which is available free of charge.

If you fail to provide us with the required information or if you provide us with incomplete or inaccurate information Fundhost may not be able to provide you with the products or services you are seeking within the time periods contemplated in the PDS.

Your information will not be disclosed unless:

- o the law requires
- o your financial adviser needs the information
- o it is in keeping with our Privacy Policy and may be provided to external service providers including The Fund's custodian, investment manager, auditors, taxation and legal advisers and information technology consultants or
- o Fundhost needs to send you promotional material. If you don't want this, contact Fundhost anytime.

Fundhost will disclose information if required by law to do so (including under the AML CTF Act).

If you think any of the details that Fundhost holds are wrong or out of date contact Fundhost and we will correct the details. You can always access the personal information held about you by contacting Fundhost on +61 (0)2 8223 5400.

### Anti-money laundering

In order to meet our obligations under the AML CTF Act or taxation legislation, we may require further information from you as to identity, the source of your funds and similar matters.

Fundhost is required to verify that information by sighting appropriate documentation.

Records of the information obtained will be kept and may be required by law to be disclosed. Otherwise the information will be kept confidential.

By applying for units in The Fund, you also agree that Fundhost may in its absolute discretion determine not to issue units to you, may cancel units which have been issued to you or may redeem any units issued to you if Fundhost believes such action to be necessary or desirable in light of its obligations under the AML CTF Act or related legislation and Fundhost will not be liable to you for any resulting loss.

### Information for New Zealand investors

Units in The Fund offered under the PDS and this Information Booklet (which forms part of the PDS) are offered to New Zealand as well as Australian investors.

#### New Zealand investors' warning statement

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.



The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

#### **New Zealand disclosures relating to distribution reinvestment**

Distributions from The Fund will be automatically reinvested resulting in additional units being issued to you, unless you tell us otherwise.

Units issued as part of a distribution will be allotted in accordance with the terms and conditions set out in the constitution of The Fund and the offer document (comprised of the PDS and this Information Booklet which forms part of the PDS).

The allotment of units as part of a distribution described in the offer document is offered to New Zealand investors on the following basis:

The above statements are required pursuant to New Zealand's financial markets legislation. If you credit NZ dollars to Fundhost's application account you may incur an unfavourable currency conversion rate and you will also have to pay any applicable fees. You can avoid these fees by only crediting Australian dollars.

- At the time the price of the units allotted as part of a distribution reinvestment is set, we will not have any information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the units if the information were publicly available.
- The right to acquire, or require us to issue, units as part of a distribution reinvestment will be offered to all investors in The Fund of the same class, other than those who are resident outside New Zealand and who are excluded by us so as to avoid breaching overseas laws.
- Every investor to whom the right is offered will be given a reasonable opportunity to accept it.
- Units will be issued or transferred on the terms disclosed to you in the offer document, and will be subject to the same rights as units issued or transferred to all investors of the same class as you who agree to receive the units.

You have the right to receive from us, on request and free of charge, a copy of:

- the most recent annual report of The Fund (if any)
- the most recent financial statements of The Fund and, if those statements are not audited or reviewed by an auditor, a statement to that effect
- a copy of the auditor's report on those statements (if any)
- the current offer document (comprised of the PDS and this Information Booklet which forms part of the PDS)
- the constitution of The Fund and any amendments to it.

Copies may be obtained electronically at [www.fundhost.com.au](http://www.fundhost.com.au) or by emailing [admin@fundhost.com.au](mailto:admin@fundhost.com.au).

Within 30 days of the day on which the units in The Fund are allotted to you, you will be sent a statement of the amount of the distribution and the number of units that have been allotted to you.

Responsible Entity

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