

# Neuberger Berman Global High Yield Fund

## Product Disclosure Statement

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APIR ETL9987AU  
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### About this PDS

This Product Disclosure Statement ("PDS") has been prepared and issued by Equity Trustees Limited ("Equity Trustees", "our", "we" or "Responsible Entity") and is a summary of the significant information relating to an investment in the Neuberger Berman Global High Yield Fund (the "Fund"). It contains a number of references to important information (including a glossary of terms) contained in the Neuberger Berman 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 persons receiving this PDS (electronically or otherwise) in Australia.

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.

### Contents

1. About Equity Trustees Limited
2. How the Neuberger Berman Global High Yield Fund works
3. Benefits of investing in the Neuberger Berman Global High Yield Fund
4. Risks of managed investment schemes
5. How we invest your money
6. Fees and costs
7. How managed investment schemes are taxed
8. How to apply
9. Other information

### 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 calling Neuberger Berman Australia on +61 3 9649 0910 or going to [www.eqt.com.au/insto](http://www.eqt.com.au/insto) 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 calling Neuberger Berman Australia on +61 3 9649 0910 or going to [www.eqt.com.au/insto](http://www.eqt.com.au/insto). A paper copy of the updated information will be provided free of charge on request.

**Investment Manager**  
Neuberger Berman Australia Ltd  
ABN 90 146 033 801, AFSL 391401  
Level 14, 500 Collins Street  
Melbourne VIC 3000  
Phone: +61 3 9649 0910  
Fax: +61 3 9923 6672

**Custodian & Fund Administrator**  
J.P. Morgan Chase Bank N.A (Sydney Branch)  
ABN 43 074 112 011, AFSL 238367  
Level 18 J.P. Morgan House  
85 Castlereagh Street Sydney NSW 2000  
Phone: + 61 2 9003 8888  
[www.jpmorgan.com.au](http://www.jpmorgan.com.au)

**Responsible Entity**  
Equity Trustees Limited  
ABN 46 004 031 298, AFSL 240975  
GPO Box 2307  
Melbourne VIC 3001  
Ph: +61 3 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 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 Neuberger Berman Australia Ltd ("Neuberger Berman Australia" or "Investment Manager") 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

### Neuberger Berman Australia

Neuberger Berman Australia is the manager of the Fund. It operates under an Australian Financial Services License (AFSL 391401) and, as a wholly owned subsidiary of Neuberger Berman Group LLC, is part of Neuberger Berman.

Founded in 1939, Neuberger Berman is a private, independent, employee-owned global asset management firm with a primary objective: to deliver compelling investment results for its clients over the long term. From offices in 26 countries, and with more than 750 investment professionals and over 2,800 employees in total, Neuberger Berman takes an active approach to the management of equity, fixed income, private equity and debt, hedge fund and quantitative strategies, along with the multi-asset class portfolios that bring them together. As of 31 December 2023, institutions, advisors, families and individuals around the globe have entrusted Neuberger Berman with US\$463 billion of their assets.

# 2. How the Neuberger Berman Global High Yield 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 Fund when they invest. In general, each unit represents an equal interest in the assets of the Fund subject to liabilities; however, it does not give investors an interest in any particular asset of the Fund.

If you invest in the Fund through an IDPS (as defined in the Reference Guide) you will not become a unitholder in the Fund. The operator or custodian of the IDPS will be the unitholder 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 unitholder. Please direct any queries and requests relating to your investment to your IDPS Operator. Unless otherwise stated, the information in this 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 Fund is \$25,000.

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

Neuberger Berman Australia Ltd  
C/- Boardroom Pty Limited  
GPO BOX 3993  
Sydney NSW 2001 Australia

Please note that cash and cheques cannot be accepted.

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

No interest will be paid to applicants on any investment amount received or returned (wholly or partially). The Fund will retain any interest earned on any investment amount.

The price at which units are acquired is determined in accordance with the Constitution ("Application Price"). The Application Price on a Business Day is, in general terms, equal to the Net Asset Value ("NAV") of the Fund, divided by the number of units on issue and adjusted for transaction costs ("Buy Spread"). At the date of this PDS, the Buy Spread is 0.20%.

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

## Making additional investments

You can make additional investments into the Fund at any time by sending us your additional investment amount together with a completed Application Form. The minimum additional investment into the Fund is \$1,000.

Unitholders who purchased their Units in the Fund on the ASX will need to complete and submit a Transition Identification Form in order for the additional application request to be processed. The Transition Identification Form is available on [www.nb.com/nbi](http://www.nb.com/nbi).

## Distributions

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

The Fund distributes income monthly. Although, Equity Trustees may change the distribution frequency at its discretion, it will not do so without first notifying investors. Distributions are calculated effective the last day of each 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 denominated bank account with an Australian domiciled bank.

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.

Unitholders who purchased their Units in the Fund on the ASX will need to complete and submit a Transition Identification Form in order to receive distributions. Until the Transition Identification Form is received, any monthly distribution entitlements may be held on account the Fund's Unit Registry in a non-interest bearing account. The Transition Identification Form is available on [www.nb.com/nbi](http://www.nb.com/nbi) website. Distribution payments may be held on account with the Fund's Unit Registry until identification documentation is received. If Equity Trustees has not received a Unitholder's identification documentation within 12 months of each distribution payment, the Equity Trustees may be required to forward these amounts to the relevant unclaimed monies authority.

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.

## 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:

Neuberger Berman Australia Ltd  
C/- Boardroom Pty Limited  
GPO BOX 3993  
Sydney NSW 2001 Australia

The minimum withdrawal amount is \$5,000. 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 7 days of acceptance of a withdrawal request by transferring the withdrawal proceeds to such investor's nominated Australian dollar bank account. However, Equity Trustees is allowed to reject withdrawal requests, and also to make payment up to 21 days after acceptance of a request (which may be extended in certain circumstances) 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 Fund, divided by the number of units on issue and adjusted for transaction costs ("Sell Spread"). The Sell Spread is outlined in Section 6. Fees and Costs.

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

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.

### Liquidity

Net withdrawals of Units in the Fund will be limited per month to 5% of NAV at the end of the preceding month (unless the Responsible Entity waives such restriction).

Equity Trustees reserves the right to fully redeem your investment if your investment balance in the Fund falls below \$25,000 as a result of processing your withdrawal request. 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 (including records of any exercise of discretions which are outside scope of the policy, or inconsistent with 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 about:

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

Before making a decision. Go to the "Investing in the Neuberger Berman Trusts", "Managing your investment" and "Withdrawing your investment" sections of the Reference Guide. 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 Neuberger Berman Global High Yield Fund

The investment strategy for the Fund is to invest in and actively manage a portfolio of high yield bonds issued by companies located globally across both developed (e.g. the U.S. and the U.K.) and emerging (e.g. Brazil and China) markets, with a strong emphasis on higher quality (within the Global High Yield Market), large and more liquid companies and by avoiding companies with deteriorating financials.

The key benefits of investing in the Fund include:

- **Global:** Exposure to global corporate bonds.
- **Income:** The Manager aims to deliver a stable and consistent income stream
- **Security:** Access to a large, experienced and stable investment team employing a disciplined and repeatable investment process with a strong emphasis on capital preservation by focusing on higher quality (e.g. BB and B rated) high yield corporate bonds and avoiding companies with deteriorating financials.
- **Diversification:** Exposure to a portfolio of the bonds of 250-350 large, liquid global companies and diversified across countries, industries and credit quality.
- **Lower volatility:** Access to an asset class with a track record of lower volatility and attractive returns, and, consequently, the potential to enhance the risk/return profile of your investment portfolio.
- **Scale and Resources:** Access to a large investment team currently comprising 56 investment professionals and located globally, supported by the resources of the broader Neuberger Berman research platform with over 170 investment professionals.
- **Experience:** Access to the expertise of senior portfolio managers averaging 24 years' industry experience and with a 23-year track record managing high yield corporate bonds.

## 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. The significant risks below should be considered in light of your risk profile when deciding whether to invest in the Fund. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets and your risk tolerance.

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

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

### Market risk

The market price of investments owned by the Fund may go up or down, sometimes rapidly or unpredictably. Investments may decline in value due to factors affecting investment markets generally or particular industries represented in the investment 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 your investments, including your investment in the Fund.

## International investing risk

The Fund will hold investments in global debt securities. Certain countries may impose restrictions on the ability of locally domiciled companies to make payments of principal, dividends or interest to investors located outside the country, due to blockage of foreign currency exchanges or otherwise. Generally, there may be less publicly available information about foreign companies due to less rigorous disclosure or accounting standards and regulatory practices. In addition, the Fund could be subject to risks associated with adverse political and economic developments in certain countries, which could cause the Fund to lose money on these investments.

## Emerging markets risk

Emerging markets are markets in certain countries which may not be as developed, efficient or liquid as Australian markets. Therefore, the value of securities in these markets may often be more volatile. Emerging markets risk is also caused by exposure to economic structures that are less diverse and mature, and to political systems that are less stable, than those of developed countries. In addition, issuers in emerging markets may experience a greater degree of change in earnings and business prospects than would companies in developed markets.

## Regulatory risk

This is the risk that domestic or international laws or regulations are changed adversely or that regulatory supervision of transactions and reporting is performed by the Investment Manager at less than an appropriate standard. The Investment Manager aims to manage this risk by regularly and closely reviewing changes in the regulatory environment.

## Currency risk

The Fund will invest in securities denominated in currencies other than Australian dollars. If these currencies change in value relative to the Australian dollar, the value of the investment can change.

## Inflation risk

Inflation risk is the risk that returns will not be sufficiently higher than inflation to enable an investor to meet their financial goals.

## Credit risk

The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time.

The market value of an investment can also fall significantly when the perceived risk of a debt security increases or its credit rating declines, and can negatively impact on the performance of the Fund.

## Interest rate risk

The risk that the investment value or future returns of an asset may be adversely impacted by changes in interest rates. The value of fixed rate securities (such as bonds) in which the Fund may invest generally will have an inverse relationship with interest rates. For example, the value of a bond may fall when interest rates rise, and vice versa. Generally, the longer the maturity of the bond, the greater its sensitivity to changes in interest rates (i.e. duration) and the greater the impact that changes in interest rates will have on the value of the bond.

## Fixed income securities risk

Fixed income securities are subject to the risk of an issuer's ability to meet principal and interest payments on the obligation (credit risk), and may also be subject to price volatility due to factors such as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). In addition, the Investment Manager may invest the Fund in fixed income securities which are interest rate sensitive. An increase in interest rates will generally reduce the value of fixed income securities, while a decline in interest rates will generally increase the value of fixed income securities. The performance of the Fund will therefore depend in part on the ability to anticipate and respond to such fluctuations in market interest rates, and to utilise appropriate strategies to maximise returns, while attempting to minimise the associated risks to investment capital. Fixed income securities are also exposed to the risk that their or their issuers' credit ratings may be downgraded, which can cause a significant drop in the value of such securities. In the event of such downgrading, the value of the Fund may be adversely affected. The Investment Manager may or may not be able to dispose of the fixed income securities that are being downgraded.

## High yield securities risk

In respect of lower rated or unrated (i.e. below investment grade or high yield) securities, such securities are more likely to react to developments affecting market and credit risk than more highly rated securities, which primarily react to movements in the general level of interest rates. Investors should carefully consider the relative risks of investing in high yield securities and understand that such securities generally are not meant for short-term investing.

The risk of loss due to default by these issuers is significantly greater because lower rated and unrated securities of comparable quality generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness. In addition, investors in such securities may find it more difficult to sell high yield securities or may be able to sell the securities only at prices lower than if such securities were widely traded.

### Further reading

You should read the important information in the Reference Guide under the "Additional risks of managed investment schemes" section before making a decision. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

## 5. How we invest your money

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

### Investment objective

The Fund's investment objective is to provide a consistent monthly income stream, while achieving an attractive level of total return (income plus capital appreciation) over a full market cycle.

The Fund also aims to outperform the benchmark, after fees and costs, on a rolling three-year basis.

### Benchmark

ICE BofA Global High Yield Index (AUD hedged).

Investors should note that the Investment Manager does not intend for the Fund to track the Benchmark, which is included for performance comparison purposes only.

### Minimum suggested time frame

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

### Risk level

High.

There is high level risk of loss of investment over one year. An investment in the Fund has the potential to produce medium level returns over the minimum suggested timeframe.

### Investor suitability

The Fund is designed for investors seeking high current income via exposure to global fixed income markets and who understand and accept that the Fund is expected to experience medium to high levels of volatility.

### Investment style and approach

The investment team is focussed on generating returns in excess of the benchmark across the market cycle, a defensive investment approach that places a strong emphasis on capital preservation, particularly in anticipation of and during downturns in the market, while still seeking to participate in capital appreciation when the market is rising is followed.

The investment team believes that attractive results can be achieved in all market cycles through a proactive investment process. They seek to capitalize on market opportunities and generate added value through five principal sources:

- Avoiding companies with deteriorating financials
- In-depth relative value analysis
- Sector rotation
- EM country selection
- Regional allocation (US, Europe, Emerging Markets)

### Investment guidelines and restrictions

#### Authorised Investments

Generally, the Manager is authorised to invest the Fund in all debt securities represented in the Benchmark and their equivalents as determined by the Manager. The Manager may invest up to 10% of the Fund in debt securities not represented in the Benchmark where the Manager believes doing so will further the investment objective of the Fund.



Specifically, permitted investments include but are not limited to:

- investment grade and high yield corporate bonds;
- leveraged loans;
- collateralised loan obligations;
- derivative instruments (for hedging purposes only); and
- cash and cash equivalents.

#### Investment guidelines

- The Fund will hold no less than 100 issues at any time.
- The Fund's minimum exposure to high yield bonds at any time will be 80% of the Fund's NAV.
- The Fund's maximum exposure to CCC rated bonds at any time will be 30% of the Fund's NAV.
- The maximum exposure to leveraged loans and collateralised loan obligations will be 10% of the Fund's NAV in aggregate.
- The Fund will not hold any unrated bonds.
- The Fund's maximum holding of cash or cash equivalents will be 10% of the Fund's NAV.
- The Fund's exposure to any industry will generally not exceed the greater of 20% of the Fund's NAV or 3 times the Index weighting of that industry, subject to an absolute maximum of 30% of the Fund's NAV.

#### Issue / Issuer

- The Fund will not be invested in any bond issue which is less than US\$200 million in size at the time of investment.
- The Fund's maximum exposure to a single issuer will not exceed 3% of the Fund's NAV.
- The Fund will not hold more than 10% of an issuer's outstanding debt at any time.

#### Asset allocation

The Fund invests substantially all its assets in the Underlying Fund, which generally adheres to the following asset allocation ranges:

- Debt securities: 90 – 100%
- Cash: 0 – 10%

#### Changing the investment strategy

The investment strategy and asset allocation parameters may be changed. If a change is to be made, investors in the Fund will be notified in accordance with the Corporations Act.

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

EQT has delegated the investment function (including ESG responsibilities) to the Investment Manager and the Investment Manager has contemplated that labour, environmental, social and ethical considerations will be taken into account in relation to the investment of the fund.

The analysis of labour environmental, social and ethical (together, "ESG") considerations is an important component of the Investment Team's fundamental credit research and can help to identify business risks which would cause deterioration in the credit profile of a corporate issuer of debt securities. The Investment Team is directly engaged in the ESG research process and derives ESG scores as part of its credit analysis, which is overseen by the team's most senior investment professionals.

#### Further reading

You should read the important information about ESG before making a decision. Go to the "Other important information" section of the Reference Guide.

The material relating to ESG considerations may change between the time when you read this PDS and the day when you acquire the product.

#### Fund performance

Up to date information on the performance of the Fund will be available by calling Neuberger Berman Australia on +61 3 9649 0910. A free paper copy of the information will also be available on request

## 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 investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

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

You may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

### TO FIND OUT MORE

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

The information in the following Fees and Costs Summary can be used to compare costs between different simple managed investment schemes. Fees and costs can be paid directly from an investor's account or deducted from investment returns. For information on tax please see Section 7 of this PDS.

### Fees and Costs Summary

#### Neuberger Berman Global High Yield Fund

Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<i>Management fees and costs</i> The fees and costs for managing your investment <sup>2</sup>	0.85% of the NAV of the Fund	The management fees component of management fees and costs are accrued daily and paid from the Fund monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Fund as they are incurred.
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	Not applicable	Not applicable
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.08% of the NAV of the Fund <sup>3</sup>	Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread. Any transaction costs at the interposed vehicle level are reflected in the value of the Fund's investment in the relevant interposed vehicle, and therefore reflected in the unit price.

**Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)**

Type of fee or cost	Amount	How and when paid
<i>Establishment fee</i> The fee to open your investment	Not applicable	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Not applicable	Not applicable
<i>Buy-sell spread</i> An amount deducted from your investment representing costs incurred in transactions by the scheme	0.20% upon entry and 0.20% upon exit	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption. In order to facilitate an orderly transition of unitholders from the Listed Investment Trust (LIT) to an unlisted managed investment scheme, the Responsible Entity will impose a Transition Fee on withdrawals for a period of 12 months from the date of delisting. The Transition Fee will be imposed in addition to the Sell Spread. Please see transitions Fee in the "Additional explanation of Fees and costs" for further information.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Not applicable	Not applicable
<i>Exit fee</i> The fee to close your investment	Not applicable	Not applicable
<i>Switching fee</i> The fee for changing investment options	Not applicable	Not applicable

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

<sup>2</sup> The management fee component of management fees and costs can be negotiated. See "Differential fees" in the "Additional Explanation of Fees and Costs" below.

<sup>3</sup> The transaction costs incorporate estimated amounts with reference to the relevant costs incurred during the financial year ended 30 June 2023.

## Additional Explanation of Fees and Costs

### Management fees and costs

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

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

Management fees and costs can be split into the:

- management fees component; and
- indirect costs and other expenses component.

The management fees component of management fees and costs of 0.85% p.a. of the NAV of the Fund is payable to the Responsible Entity of the Fund for managing the assets and overseeing the operations of the Fund. The management fees component is accrued daily and paid from the Fund monthly in arrears and reflected in the unit price. As at the date of this PDS, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 0.00% p.a. of the NAV may include other ordinary expenses of operating the Fund, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Fund invests. The indirect costs and other expenses component is variable and reflected in the unit price as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or Investment Manager. The indirect costs and other expenses component is based on the relevant costs incurred during the financial year ended 30 June 2023.

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

From time to time, abnormal or extraordinary expenses (such as costs of legal proceedings, costs to defend claims, termination and wind up costs, investor meetings, changes to the constitution or changing the Responsible Entity) may be incurred. Such abnormal or extraordinary expenses are expected to occur infrequently and are in addition to the above ordinary expenses and are fully recoverable from the Fund as long as they are properly incurred in operating the Fund.

### Transaction costs

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

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Fund will incur when buying or selling assets of the Fund. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.20% upon entry and 0.20% upon exit. The dollar value of these costs based on an application or a withdrawal of \$25,000 is \$50 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time and [www.eqt.com.au/insto](http://www.eqt.com.au/insto) will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

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

The gross transaction costs for the Fund are 0.18% p.a. of the NAV of the Fund, which incorporate estimated amounts with reference to the relevant costs incurred during the financial year ended 30 June 2023.

In relation to the costs that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager. However, actual transaction costs for the current and future years may differ.

Transition Fee

In order to facilitate an orderly transition of unitholders from the Listed Investment Trust (LIT) to an unlisted managed investment scheme, the Responsibility Entity will impose a Transition Fee on withdrawals for a period of 12 months from the date of delisting. The Transition Fee will be as follows:

Date	Transition fee applied
15 May 2024 – 14 September 2024	7.5%
15 September 2024 – 14 January 2024	5%
15 January 2025 – 14 May 2025	2.5%
15 May 2025 onwards	nil

The Transition fee will apply to withdrawals within the 12 month period after de-listing to ensure that continuing Unitholders are not disadvantaged as the Fund changes from being a close ended LIT to an open ended unlisted fund. The Transition Fee will be charged by the Responsible Entity but will be retained in the assets of the Fund for the benefit of remaining Unitholders. The Transition fee will be deducted from Unitholders’ withdrawal proceeds.

Rebate of Transition Fee to new investors

New investors who acquire units in the Fund following the delisting and redeem some or all of their units in the period that the Transition Fee applies will receive a rebate of the Transition Fee component of the sell spread paid on the redemption, The rebate will generally be paid to the same bank account details as the redemption proceeds the end of the month in which the redemption was processed. For indirect investors, we will use best endeavours to work with your platform provider to implement the rebate described above. Please speak to your platform provider for further detail. Equity Trustees will be unable to process the rebate for indirect investors unless the platform provider provides the requisite information and implements appropriate procedures to pass on the rebate.

Can the fees change?

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

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.

Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients. Please contact the Investment Manager on +61 3 9649 0910 for further information.

Example of annual fees and costs for an investment option

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

EXAMPLE – Neuberger Berman Global High Yield Fund		
BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR		
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
Plus Management fees and costs	0.85% p.a.	And, for every \$50,000 you have in the Neuberger Berman Global High Yield Fund you will be charged or have deducted from your investment \$425 each year
Plus Performance fees	Not applicable	And, you will be charged or have deducted from your investment \$0 in performance fees each year
Plus Transaction costs	0.08% p.a.	And, you will be charged or have deducted from your investment \$40 in transaction costs
Equals Cost of Neuberger Berman Global High Yield Fund	0.93% p.a.	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: \$465* What it costs you will depend on the investment option you choose and the fees you negotiate.

\* Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you such as the Buy/Sell Spread. This example assumes the \$5,000 contribution occurs at the end of the first year, therefore the fees and costs are calculated using the \$50,000 balance only. **Warning: If you have consulted a financial adviser, you may pay additional fees. You should refer to the Statement of Advice or Financial Services Guide provided by your financial adviser in which details of the fees are set out.** ASIC provides a fee calculator on [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which you may use to calculate the effects of fees and costs on account balances. The indirect costs and other expenses component of management fees and costs and transaction costs may also be based on estimates. As a result, the total fees and costs that you are charged may differ from the figures shown in the table.

Further reading

You should read the important information about fees and costs before making a decision. Go to the “Fees and other costs” section of the Reference Guide. The material relating to fees and costs 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

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 about taxation before making a decision. Go to the "Taxation" section of the Reference Guide. The material relating to taxation 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:

Neuberger Berman Australia Ltd  
C/- Boardroom Pty Limited  
GPO BOX 3993  
Sydney NSW 2001 Australia

Please note that cash and cheques 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

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

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

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

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

Indirect Investors should seek advice from their IDPS Operator as to whether cooling off rights apply to an investment in the Fund by the IDPS. The right to cool off in relation to the Fund is not directly available to an Indirect Investor. This is because an Indirect Investor does not acquire the rights of 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 within 1 Business Day or as soon as possible after receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 30 calendar days after receiving the complaint.

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

Contact details are:

Online: [www.afca.org.au](http://www.afca.org.au)

Phone: 1800 931 678

Email: [info@afca.org.au](mailto:info@afca.org.au)

Post: GPO Box 3, Melbourne VIC 3001.

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

## 9. Other information

### Consent

The Investment Manager has given and, as at the date of this PDS, has not withdrawn:

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

The Investment Manager has not otherwise been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. None of the Investment Manager 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.

### Further reading

You should read the important information about:

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

before making a decision. Go to the "Other important information" section of the Reference Guide. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.



# Neuberger Berman Global High Yield Fund

## Reference Guide

Issue Date 10 May 2024

### About this Reference Guide

This Reference Guide ("RG") has been prepared and issued by Equity Trustees Limited ("Equity Trustees", "we" or "Responsible Entity"). The information in this document forms part of the Product Disclosure Statement ("PDS") for the Neuberger Berman Global High Yield Fund ("Fund") dated 10 May 2024.

The information provided in this RG is for general information only and does not take into account your individual objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances.

### Updated information

Information in the PDS and this RG is subject to change. Before making an investment in the Fund, you should ensure that you have read the current PDS and RG as at the date of your investment.

You can request a copy of the PDS and RG by calling Neuberger Berman on +61 3 9649 0910. A paper copy of the updated information will also be provided free of charge on request.

### Contents

- 1. Investing in the Neuberger Berman Global High Yield Fund
- 2. Managing your investment
- 3. Withdrawing your investment
- 4. Additional risks of managed investment schemes
- 5. Additional information on fees and costs
- 6. Taxation
- 7. Other important information
- 8. Glossary

<b>Investment Manager</b> Neuberger Berman Australia Ltd ABN 90 146 033 801, AFSL 391401 Level 14 500 Collins Street Melbourne Vic 3000 Phone: (03) 9649 0910 Fax: (03) 9923 6672	<b>Custodian &amp; Fund Administrator</b> J.P. Morgan Chase Bank N.A (Sydney Branch) ABN 43 074 112 011 , AFSL 238367 Level 18 J.P. Morgan House 85 Castlereagh Street Sydney NSW 2000 Phone: + 612 9003 8888 www.jpmmorgan.com.au	<b>Responsible Entity</b> Equity Trustees Limited ABN 46 004 031 298, AFSL 240975 GPO Box 2307 Melbourne VIC 3001 Ph: +613 8623 5000 Web: www.eqt.com.au/insto
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# 1. Investing in the Neuberger Berman Global High Yield Fund

## Application cut-off times

If we receive a correctly completed 2pm AET (Sydney Time), identification documents (if applicable) and cleared application money:

- before 2pm AET (Sydney Time) on a Business Day and your application for units is accepted, you will generally receive the Application Price calculated for that Business Day; or
- on or after 2pm AET (Sydney Time) on a Business Day and your application for units is accepted, you will generally receive the Application Price calculated for the next Business Day.

Please see the PDS for information regarding how to apply.

## Application terms

We will only start processing an application if:

- we consider that you have correctly completed the 2pm AET (Sydney Time);
- you have provided us with the relevant identification documents if required; and
- we have received the application money (in cleared funds) stated in your 2pm AET (Sydney Time).

# 2. Managing your investment

## Authorised signatories

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the Application Form and have them sign the relevant sections. If a company is appointed, the powers extend to any director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

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

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

If you do appoint an authorised signatory:

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

## Reports

Investors will be provided with the following reports:

- application and withdrawal confirmation statements;
- transaction statements; and
- (where applicable), distribution and tax statements.

Annual audited financial accounts are available on Equity Trustees' website.

# 3. Withdrawing your investment

## Withdrawal cut-off times

### If we receive a withdrawal request:

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

Please see the PDS for information regarding how to request a withdrawal.

## Withdrawal price

The price at which units are withdrawn is determined in accordance with the Constitution ("Withdrawal Price"). The Withdrawal Price on a Business Day is, in general terms, equal to the NAV of the Fund, divided by the number of units on issue and adjusted for transaction costs ("Sell Spread"). The Sell Spread is outlined in Section 6. Fees and costs.

In order to facilitate an orderly transition of unitholders from the Listed Investment Trust (LIT) to an unlisted managed investment scheme, the Responsible Entity will impose a Transition Fee on withdrawals for a period of 12 months from the date of delisting. The Transition Fee will be imposed in addition to the Sell Spread.

The Transition Fee will be as follows:

Date	Transition fee applied
15 May 2024 – 14 September 2024	7.5%
15 September 2024 – 14 January 2025	5%
15 January 2025 – 14 May 2025	2.5%
15 May 2025 onwards	nil

The Transition fee will apply to withdrawals within the 12 month period after de-listing to ensure that continuing Unitholders are not disadvantaged as the Fund changes from being a closed ended LIT to an open ended unlisted fund. The Transition Fee will be charged by the Responsible Entity but will be retained in the assets of the Fund for the benefit of remaining Unitholders. The Transition fee will be deducted from Unitholders' withdrawal proceeds.

## Withdrawal terms

In the first 12 months post delisting, net redemptions of Units in the Fund will be limited per month to 5% of NAV at the end of the preceding month (unless the Responsible Entity waives such restriction). 'Net redemptions', being the amount by which the aggregate amount of redemption requests received by the Fund exceeds the aggregate amount of application requests received by the Fund. The 5% limit will be determined on the first business day of each month on a dollar figure basis and the Fund will be closed to redemptions once this level is reached. Where redemption requests are received after the Fund has been closed to redemptions, Unitholders will need to resubmit their redemption requests at the beginning of the next month.

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

We may contact you to check your details before processing your withdrawal request but are not obliged to. This may cause a delay in finalising payment of your withdrawal money. No interest is payable for any delay in finalising payment of your withdrawal money.

We are not responsible or liable if you do not receive, or are late in receiving, any withdrawal money that is paid according to your instructions.

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

- Withdrawals will only be paid to the investor.
- We reserve the right to fully redeem your investment if, as a result of processing your request, your investment balance in the Fund falls below the minimum balance set out in the PDS.
- If we cannot satisfactorily identify you as the withdrawing investor, we may reject your withdrawal request or payment of your withdrawal proceeds will be delayed. We are not responsible for any loss you consequently suffer.
- As an investor who is withdrawing, you agree that any payment made according to instructions received by post, courier, email or fax, shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.
- You agree that if the payment is made according to these terms, you, and any person claiming on your behalf, shall have no claim against us with regards to such payment.

### Withdrawal restrictions

Under the Corporations Act, you do not have a right to withdraw from the Fund if the Fund is illiquid. In such circumstances, you will only be able to withdraw your investment if Equity Trustees makes a withdrawal offer in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers.

Unitholders who purchased their Units in the Fund on the ASX will need to complete and submit a Transition Identification Form in order for their redemption request to be processed. The Transition Identification Form is available on [www.nb.com/nbi](http://www.nb.com/nbi) website.

The Fund will be deemed liquid if at least 80% of its assets are liquid assets (generally cash and marketable securities). In addition, we may at any time suspend consideration of withdrawal requests or defer our obligation to pay withdrawal proceeds if it is not possible, or not in the best interests of investors or former investors for us to do so, due to circumstances outside our control (such as restricted or suspended trading in a Fund asset).

## 4. Additional risks of managed investment schemes

### Security selection risk

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

### 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 debt securities may become less liquid). The Investment Manager and the Responsible Entity attempt to mitigate the liquidity risk factor by generally investing in securities that are believed to offer sufficient liquidity.

### 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. There is also a risk that investing in the Fund may give different results than investing directly in the underlying assets of the Fund themselves because of income or capital gains accrued in the Fund and the consequences of investment and withdrawal by other investors.

## Pandemic and other unforeseen event risk

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

## 5. Additional information on 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 investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

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

You may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

**TO FIND OUT MORE**

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

Neuberger Berman Global High Yield Fund		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs <sup>1</sup>		
Management fees and costs	0.85% of the NAV of the Fund	The management fees component of management fees and costs are accrued daily and paid from the Fund monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Fund as they are incurred. The management fees component of management fees and costs can be negotiated. Please see "Differential fees" in the "Additional Explanation of Fees and Costs" for further information.
The fees and costs for managing your investment		

## Neuberger Berman Global High Yield Fund

Type of fee or cost	Amount	How and when paid
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	Not applicable	<i>Not applicable</i>
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.08% of the NAV of the Fund <sup>2</sup>	Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread. Any transaction costs at the interposed vehicle level are reflected in the value of the Fund's investment in the relevant interposed vehicle, and therefore reflected in the unit price.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)</b>		
<i>Establishment fee</i> The fee to open your investment	Not applicable	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Not applicable	Not applicable

## Neuberger Berman Global High Yield Fund

Type of fee or cost	Amount	How and when paid
<i>Buy-sell spread</i> An amount deducted from your investment representing costs incurred in transactions by the scheme	0.20% upon entry and 0.20% upon exit	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption. In order to facilitate an orderly transition of unitholders from the Listed Investment Trust (LIT) to an unlisted managed investment scheme, the Responsible Entity will impose a Transition Fee on withdrawals for a period of 12 months from the date of delisting. The Transition Fee will be imposed in addition to the Sell Spread. Please see "Transition Fee" in the "Additional explanation of Fees and costs" for further information.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Not applicable	Not applicable
<i>Exit fee</i> The fee to close your investment	Not applicable	Not applicable
<i>Switching fee</i> The fee for changing investment options	Not applicable	Not applicable

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

<sup>2</sup> The transaction costs incorporate estimated amounts with reference to the relevant costs incurred during the financial year ended 30 June 2023.

## Additional Explanation of Fees and Costs

### Management fees and costs

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

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

Management fees and costs can be split into the:

- management fees component; and



- indirect costs and other expenses component.

The management fees component of management fees and costs of 0.85% p.a. of the NAV of the Fund is payable to the Responsible Entity of the Fund for managing the assets and overseeing the operations of the Fund. The management fees component is accrued daily and paid from the Fund monthly in arrears and reflected in the unit price. As at the date of this PDS, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 0.00% p.a. of the NAV may include other ordinary expenses of operating the Fund, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Fund invests. The indirect costs and other expenses component is variable and reflected in the unit price as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or Investment Manager. The indirect costs and other expenses component is based on the relevant costs incurred during the financial year ended 30 June 2023.

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

From time to time, abnormal or extraordinary expenses (such as costs of legal proceedings, costs to defend claims, termination and wind up costs, investor meetings, changes to the constitution or changing the Responsible Entity) may be incurred. Such abnormal or extraordinary expenses are expected to occur infrequently and are in addition to the above ordinary expenses and are fully recoverable from the Fund as long as they are properly incurred in operating the Fund.

### Transaction costs

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

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Fund will incur when buying or selling assets of the Fund. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The Buy Spread is paid into the Fund as part of an application and the Sell Spread is left in the Fund as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.20% upon entry and 0.20% upon exit. The dollar value of these costs based on an application or a withdrawal of \$25,000 is \$50 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time and [www.eqt.com.au/insto](http://www.eqt.com.au/insto) will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

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

The gross transaction costs for the Fund are 0.18% p.a. of the NAV of the Fund, which incorporate estimated amounts with reference to the relevant costs incurred during the financial year ended 30 June 2023.

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

However, actual transaction costs for the current and future years may differ.

### Transition Fee

In order to facilitate an orderly transition of unitholders from the Listed Investment Trust (LIT) to an unlisted managed investment scheme, the Responsibility Entity will impose a Transition Fee on withdrawals for a period of 12 months from the date of delisting.

The Transition Fee will be as follows:

Date	Transition fee applied
15 May 2024 – 14 September 2024	7.5%
15 September 2024 – 14 January 2024	5%
15 January 2025 – 14 May 2025	2.5%
15 May 2025 onwards	nil

The Transition fee will apply to withdrawals within the 12 month period after de-listing to ensure that continuing Unitholders are not disadvantaged as the Fund changes from being a close ended LIT to an open ended unlisted fund. The Transition Fee will be charged by the Responsible Entity but will be retained in the assets of the Fund for the benefit of remaining Unitholders. The Transition fee will be deducted from Unitholders’ withdrawal proceeds.

### Rebate of Transition Fee to new investors

New investors who acquire units in the Fund following the delisting and redeem some or all of their units in the period that the Transition Fee applies will receive a rebate of the Transition Fee component of the sell spread paid on the redemption, The rebate will generally be paid to the same bank account details as the redemption proceeds following the end of the following month in which the redemption was processed.

For indirect investors, we will use best endeavours to work with your platform provider to implement the rebate described above. Please speak to your platform provider for further detail. Equity Trustees will be unable to process the rebate for indirect investors unless the platform provider provides the requisite information and implements appropriate procedures to pass on the rebate.

### Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled is 2% of the GAV of the Fund. However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days’ notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly, without notice.

## 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.

## Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients. Please contact the Investment Manager on +61 3 9649 0910 for further information.

# 6. Taxation

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

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

## General

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

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

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

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

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

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

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

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

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

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

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

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

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

## Controlled Foreign Company ("CFC") Provisions

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

## Taxation of Financial Arrangements ("TOFA")

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

## Taxation Reform

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

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

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

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

## **GST**

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

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

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

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

### **Distributions**

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

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

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

An investor may receive their share of attributed tax components of the Fund or net income in respect of distributions made during the year or where they have made a large withdrawal from the Fund, in which case their withdrawal proceeds may include their share of net income or attributed tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits). In addition, because Australian investors can move into and out of the Fund at different points in time, there is the risk that taxation liabilities in respect of gains that have benefited past investors may have to be met by subsequent investors.

## **Foreign Income**

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

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

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

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

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

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

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

### **Tax on Income**

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

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

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

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

Based on the Fund's investment profile, generally non-resident investors holding their units on capital account should not be subject to Australian CGT on the disposal of units in the Fund unless the units were capital assets held by the investor in carrying on a business through a permanent establishment in Australia. Australian tax may apply in certain circumstances if the non-resident holds their units on revenue account. CGT may also apply in some cases where the Fund has a direct or indirect interest in Australian real property. We recommend that non-resident investors seek independent tax advice in relation to the tax consequences of the disposal of their units.

## 7. Other important information

### ESG considerations

Other than as stated below, the Investment Team has no predetermined view about what it regards to be a labour standard or environmental, social or ethical consideration or how far they will be taken into account in the selection, retention or realisation of investments relating to the Fund. The Investment Team will obtain ESG related information from various third party providers of ESG research and ratings for issuers in the global high yield corporate bond market, which it then uses in its overall assessment of a particular corporate bond issuer. The Investment Team may have regard to the following ESG considerations in determining the risk score of an issuer:

1. Environmental factors such as operations, supply chain and product and services;
2. Social issues such as the degree of union/non-union employees, whether the issuer is involved in any legal proceedings from current/former employees, whether it has faced any product or safety issues, and the extent of the company's involvement in community and philanthropic activities; and
3. Corporate governance factors such as the independence of the board of directors for the company, whether executive compensation has been set for long term sustainability or short term performance; business ethics and public policy.

ESG factors are taken into account as part of the overall assessment of an issuer as described above. Decisions about whether to buy, hold or sell investments are based primarily on financial and economic factors. The Investment Team takes ESG considerations into account in the selection, retention or realisation of investments relating to the Fund only to the extent that they may financially affect the investment, as reflected by the risk score given by the Investment Team to the issuer.

The Investment Team excludes issuers in emerging markets which are involved in certain types of controversial weapons (e.g. chemical and biological weapons, cluster bombs and landmines) and child labour. We use a reputable, recognised third party to identify companies that are involved in such activities. Where appropriate we supplement this with our internal research and company engagement. Implementation of this policy is managed by our Asset Management Guideline Oversight team, in collaboration with Legal and Compliance. The policy is subject to review by our ESG Committee.

### Your privacy

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

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

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

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

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

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

Equity Trustees or the Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to "opt out" of such communications by contacting us using the contact details below.

In addition to the above information, Equity Trustees' Privacy Policy contains further information about how we handle your personal information, and how you can access information held about you, seek a correction to that information, or make a privacy-related complaint.

Full details of Equity Trustees' Privacy Policy are available at [www.eqt.com.au](http://www.eqt.com.au). You can also request a copy by contacting Equity Trustees' Privacy Officer on +61 3 8623 5000 or by email to [privacy@eqt.com.au](mailto:privacy@eqt.com.au).

### The Constitution

The Fund is governed by a constitution that sets out the Fund's operation (the "Constitution"). The Constitution, together with the Fund's PDS, the Corporations Act and other laws, regulate our legal relationship with investors in the Fund. If you invest in the Fund, you agree to be bound by the terms of the Fund's PDS and the Fund's Constitution. You can request a copy of the Constitution free of charge from Equity Trustees. Please read these documents carefully before investing in the Fund.

We may amend the Constitution from time to time in accordance with the provisions in the Constitution and the Corporations Act.

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

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

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



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

Unitholders who purchased they Units in the Fund on the ASX will need to complete and submit a Transition Identification Form in order to ensure uninterrupted access to monthly income distributions, the ability to apply for new Units, or withdraw exiting Units in the Fund. Until the Transition Identification Form is received, any monthly distribution entitlements may be held on account with the Fund's Unit Registry in a non-interest bearing account. The Transition Identification Form is available on [www.nb.com/nbi](http://www.nb.com/nbi) website. Distribution payments may be held on account with the Fund's Unit Registry until identification documentation is received. If Equity Trustees has not received a Unitholder's identification documentation within 12 months of each distribution payment, the Equity Trustees may be required to forward these amounts to the relevant unclaimed monies authority.

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

## Indirect Investors

You may be able to invest indirectly in the Fund via an IDPS by directing the IDPS Operator to acquire units on your behalf. If you do so, you will need to complete the relevant forms provided by the IDPS Operator and not the Application Form accompanying the PDS. This will mean that you are an Indirect Investor in the Fund and not an investor or member of the Fund. Indirect Investors do not acquire the rights of an investor as such rights are acquired by the IDPS Operator who may exercise, or decline to exercise, these rights on your behalf.

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

## Information on underlying investments

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

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

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

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

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

## Common Reporting Standard ("CRS")

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

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

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

## 8. Glossary

### Application Form

The application form that accompanies the PDS.

### ASIC

Australian Securities and Investments Commission

### ATO

Australian Tax Office.

### AUSTRAC

Australian Transaction Reports and Analysis Centre.

### Business Day

A day other than a Saturday or Sunday on which banks are open for general banking business in Melbourne and Sydney or if the administrator of the Trust primarily performs its administrative functions in respect of the Trust in a city other than Melbourne or Sydney, the city in which the administrator performs such functions

### Fund

Refers to the Neuberger Berman Global High Yield Fund.

### Gross Asset Value or GAV

The value of the assets of the Fund without taking into account the liabilities of the Fund.

### IDPS

Investor-Directed Portfolio Service or investor-directed portfolio-like managed investment scheme. An IDPS is generally the vehicle through which an investor purchases a range of underlying investment options from numerous investment managers.

### IDPS Guide

Investor-Directed Portfolio Service guide

### Net Asset Value or NAV

The value of assets of a Trust, less the value of the liabilities of that Trust.

### Retail Client

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

## US Person

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

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

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

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

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

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

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

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

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

## We, us

Refers to Equity Trustees Limited.

## Wholesale Client

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