



# Antipodes Global Fund – Long Only

ARSN 118 075 764 APIR WHT0057AU

## ADDITIONAL INFORMATION TO THE PDS

Dated: 2 November 2015

Issued by: Pinnacle Fund Services Limited

ABN 29 082 494 362 AFSL 238371

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## **IMPORTANT INFORMATION**

This Additional Information to the PDS is issued by Pinnacle Fund Services Limited ABN 29 082 494 362 AFSL 238371 ('we', 'our', 'us' or 'Responsible Entity'). Information in this Additional Information to the PDS forms part of the Product Disclosure Statement dated 2 November 2015 ('PDS') for the Antipodes Global Fund – Long Only (ABN 56 390 525 652 ARSN 118 075 764, APIR Code WHT0057AU) ('Fund')

You should read this information together with the Fund's PDS in its entirety before making a decision to invest in the Fund.

For a free printed copy of this Additional Information to the PDS, please contact us on 1300 360 306.

The information in this Additional Information to the PDS is general information only and does not take into account your objectives, personal financial situation or needs. You should consider the appropriateness of this information having regard to your objectives, financial situation and needs. We strongly recommend that you seek professional advice from a financial adviser before deciding to invest in the Fund.

All monetary amounts referred to in this Additional Information to the PDS are given in Australian dollars and all phone/fax numbers are to phone/fax numbers in Australia (unless otherwise stated).

## **CONTACT**

If you have a query in relation to the Fund, please contact us at:

Telephone: 1300 360 306  
Email: [service@pinnacleinvestment.com.au](mailto:service@pinnacleinvestment.com.au)  
Address: PO Box R1313  
Royal Exchange Sydney  
NSW 1225 Australia  
Website: [www.antipodespartners.com](http://www.antipodespartners.com)

## 1. About Pinnacle Fund Services Limited

There is no additional information for this section.

## 2. How the Fund works

### HOW THE FUND IS VALUED

All assets within the Fund are usually valued every business day. More frequent valuations are permitted under the Fund constitution and we may revalue the Fund's assets more frequently if it is considered appropriate.

We may also revalue the Fund less frequently in certain circumstances.

The gross asset value of the Fund equals the market value of the assets. The net asset value of the Fund is obtained by deducting any liabilities of the Fund from the gross asset value of the Fund.

### UNIT PRICES

#### Impact of investing just before the end of a distribution period

After a distribution is paid, the unit price usually falls by an amount similar to that of the distribution per unit. This means that if you invest just before a distribution, the unit price may already include income that you would be entitled to receive at the distribution date. Consequently, by investing just before a distribution, you may have some of your capital returned as income.

This could affect your taxation position and we recommend you seek professional taxation advice.

### APPLICATIONS

#### Applying for units

We reserve the right not to accept (wholly or in part) any application for any reason or without reason. If we refuse to accept an application, any funds received from you will be returned to you without interest.

Unless you are using the managed funds settlement services operated by ASX ('mFund'), for an application to be valid, it must be correctly completed and it must comply with the designated minimum investment amounts referred to in the PDS and be appropriately signed by the applicant(s). However, the Responsible Entity may, at its discretion, accept amounts less than the minimum initial investment amounts.

If, for any reason, we are unable to process your application (for example, the application form is incomplete or incorrectly completed or we are not satisfied that we have received the necessary proof of identification requirements to meet our obligations under AML/CTF law), the application monies will be held by us in a non-interest bearing trust account for up to 30 days (while we endeavour to verify your identification information or obtain any necessary outstanding information) after which we will return the application monies to you.

#### Switches

You may switch from one Antipodes Partners' managed fund to another Antipodes Partners' managed fund at any time. A switch operates as a withdrawal of units in one fund and the investment of units in another and therefore may have taxation implications. Please contact a licensed financial or taxation adviser for further information.

There is no switching fee applicable as at the date of this Additional Information to the PDS. However, a buy/sell spread or a contribution fee may apply to the Fund at the time of the switch. Before making a decision to switch, you should read the relevant PDS.

#### Withdrawals

The following text contains further information on restrictions on withdrawals and should be read in conjunction with the PDS.

#### Suspension of redemption

There may be circumstances where your ability to withdraw from the Fund is restricted. In certain circumstances we may suspend withdrawals for up to 30 days. These circumstances include for example, where it is impracticable to value the Fund because of an emergency or trading restriction in a country that the Fund invests in or if the stock exchange on which the investment of the Fund is listed closes.

#### Other withdrawal restrictions

Under the Corporations Act 2001 (Cth) ('Corporations Act'), the Fund is illiquid if it has less than 80% liquid assets (generally cash and marketable securities).

We will not satisfy a withdrawal request (including switches) if the Fund becomes illiquid (as defined under the Corporations Act). If the Fund is illiquid, withdrawals from that Fund will only be possible if we make a withdrawal offer in accordance with the Corporations Act. We are not obliged to make such an offer. However, if we do, you are only able to withdraw your investment in accordance with the terms of a current withdrawal offer. If an insufficient amount of money is available from the assets specified in the withdrawal offer to satisfy withdrawal requests, the requests will be satisfied proportionately amongst those investors wishing to withdraw from the Fund.

### INCOME DISTRIBUTIONS

#### How you receive income from your investment

The type of income you receive from your investment depends on the underlying asset classes within the Fund. Income (such as interest, dividends and realised capital gains) from investments in the Fund will be paid to you via income distributions.

Where the investment activities of the Fund result in a net revenue loss (including any carried forward revenue losses from a prior period), no income distribution will be made in the period. Losses will be carried forward to be offset against future distributable income of the Fund.

Where net capital profits are realised, they may be distributed each period or alternatively, partly or wholly held over until the period ending 30 June each year. If held over, their value would be reflected in the unit price.

## Distribution reinvestment

Distributions are automatically reinvested for additional units in the Fund unless instructed otherwise, for all Australian and New Zealand residents. Where distributions are reinvested, the distribution reinvestment price is the unit price at the end of the distribution period (without the applicable buy-spread) less the distribution per unit payable.

In reinvesting your distributions, you are deemed to have directed us to apply such monies towards the subscription for the number of units, of the same class as already held, at the relevant distribution reinvestment price. All units allotted as part of the distribution reinvestment will rank equally in all respects with existing units in the same class.

At the time the distribution reinvestment price is set, all information that would, or would be likely to, have a material adverse effect on the realisable price of the units will be publicly available.

Investors may cancel their participation at any time by giving notice to the Responsible Entity. The cancellation will apply from the date of receipt, as long as it is at least 10 days prior to a distribution date, or such future date as nominated by you. Retrospective cancellations are not permitted.

Investors must be Australian or New Zealand residents to be eligible to apply for distribution reinvestment.

The Responsible Entity may cancel or suspend distribution reinvestments, or modify the terms by which distribution reinvestments are permitted.

## 3. Benefits of investing in the Fund

There is no additional information for this section.

## 4. Risks of managed investment schemes

There is no additional information for this section.

## 5. How we invest your money

### ANTIPODES PARTNERS' INVESTMENT PHILOSOPHY

Antipodes Partners believe that equity investment returns are primarily driven by the:

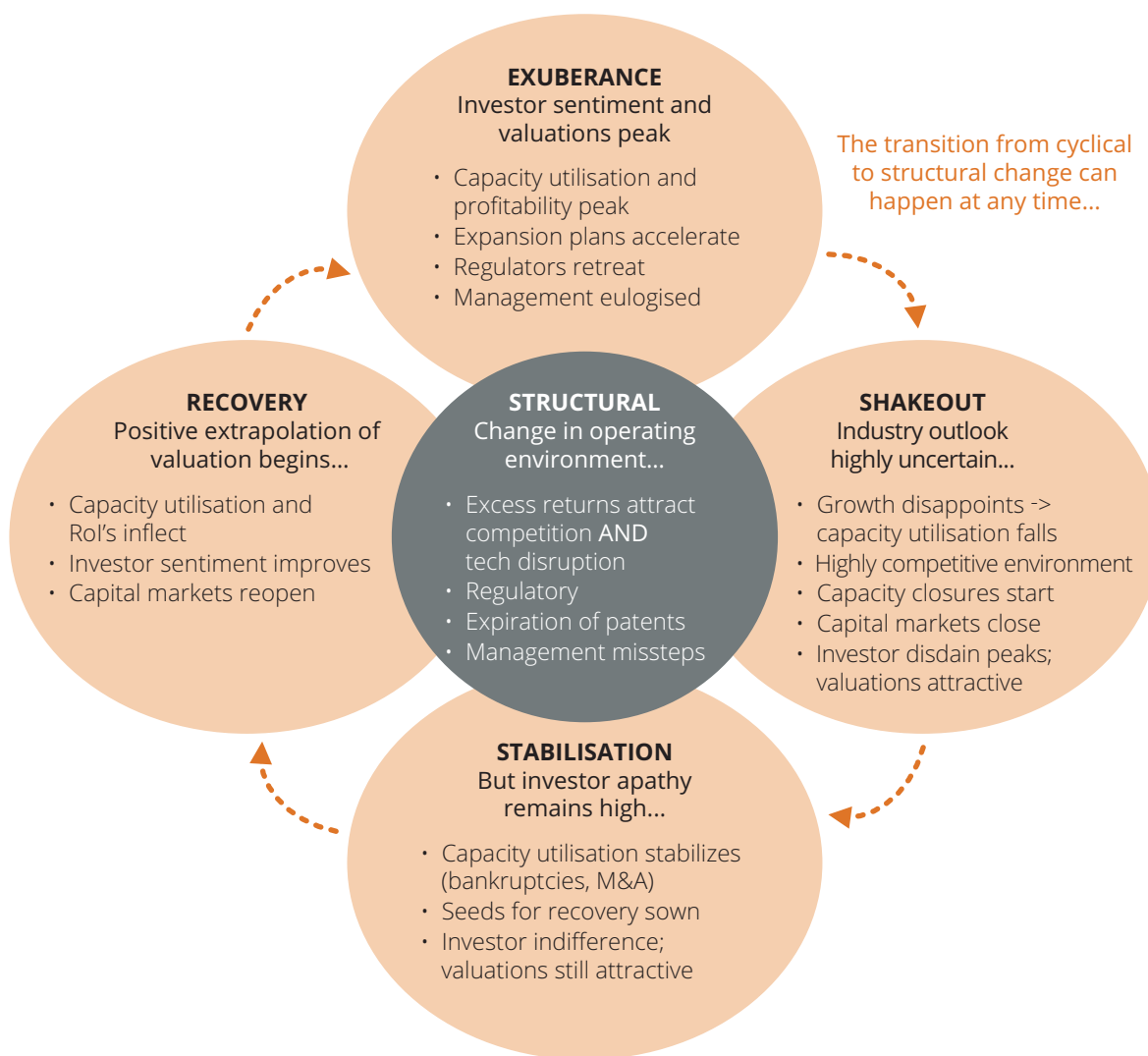
- Economic performance of the business you own or business "quality"
- Price paid or starting valuation

The Investment Manager's attitude to risk can be summarised as the chance of permanent loss of capital or unforeseen volatility and, in this sense, Antipodes Partners believes risk is best controlled by:

- Ensuring the price paid for a stock includes a margin of safety, that is, represents a discount to intrinsic value
- Developing a deep understanding of each stock within the context of the broader portfolio

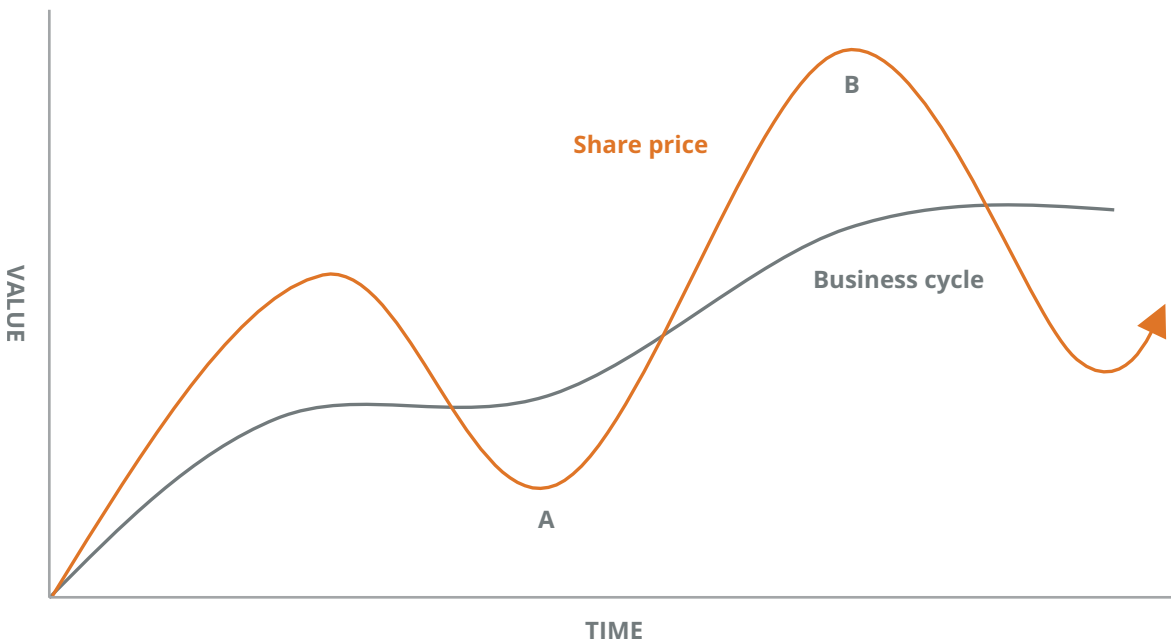
Business "quality" is determined by the degree and sustainability of competitive advantage and is ultimately subject to ongoing tests as excess returns will attract change in the operating environment, including new competition, technological disruption, greater regulation and management missteps. However, the market as an extrapolation engine is selectively irrational around changes in the operating environment (as described by the Antipodes Capital Lifecycle Model <sup>©</sup>) – these type of changes help define our investment opportunity:

- Business cycle
- Structural change
- Socio/Macroeconomic



## BUSINESS CYCLE OPPORTUNITY

A business cycle value opportunity relates to mean reversion in profitability and valuations and relies on the identification of a catalyst or turning point. Whilst “mean reversion” may occur in many turn-around situations, the risk of substitution and obsolescence can also lead to “mean reallocation” (e.g. mainframe computing redistributed by the PC revolution, newspapers classified by internet verticals and paid search, broadcast and cable television by on-demand streaming, etc.).

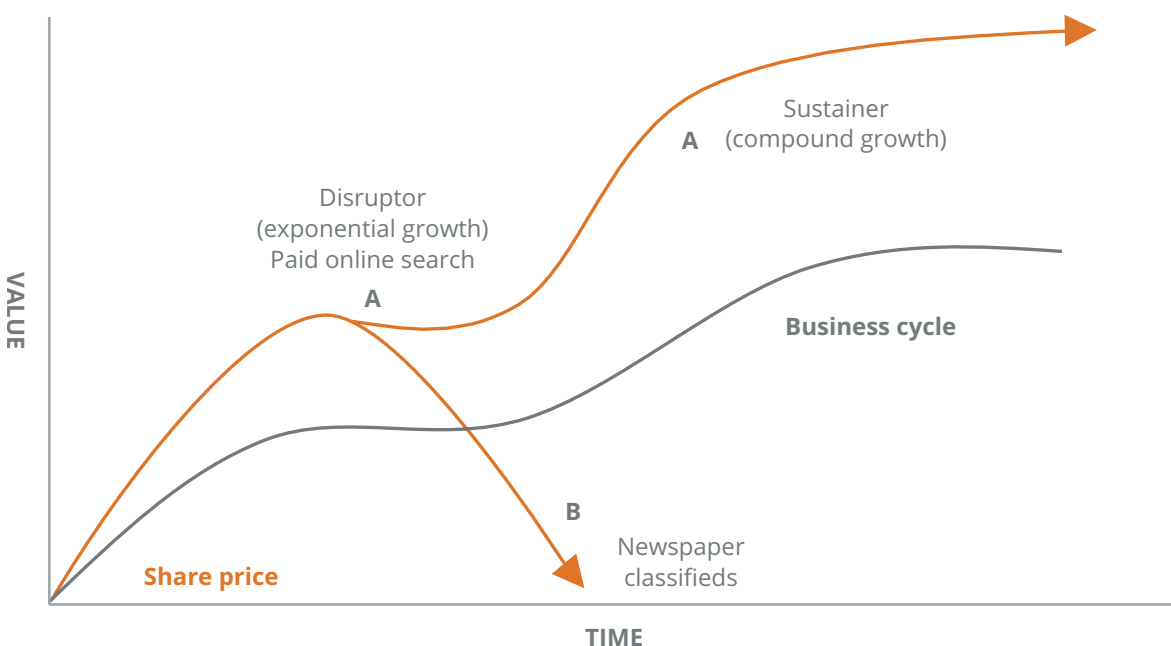


For business cycle opportunities we apply the following investment framework:

- Determine whether the downturn is cyclical or secular - avoid the value traps
- Analyse historical patterns, identify catalyst and timing of expected upturn
- Address rationale behind market pessimism
- Protect downside – maintain relative quality preference (scale/cost position, balance sheet, management)
- Mid-cycle earnings power valuation target drives the investment decision
- Buy stocks in area A and avoid those in B

## STRUCTURAL CHANGE OPPORTUNITY

A structural change opportunity relates to non-linear (disruptive) or compounding change in situations where most investors expect incremental or cyclical change. Dominant companies or “sustainers” can unwittingly open the door to “disruptive innovations” by over investing in sustaining innovation and creating price umbrellas. The value opportunity occurs in symmetrical form: 1) Early identification of a real disruptor; 2) Identification of a sustainer incorrectly assessed as a victim of disruption.



For structural change opportunities we apply the following investment framework:

- Apply sustaining versus disruptive innovation principles
- Consider power laws, non-linear change and fat-tails
- For a disruptor, establish the inflexion point for mainstream adoption ahead of the consensus
- For a sustainer, look beyond the time horizon of the average investor
- Two stage DCF based valuation target – capture the period of exponential and compound growth
- Buy stocks in area A and avoid those in B

### **SOCIO/MACROECONOMIC OPPORTUNITY**

Antipodes Partners observe the following regarding the global socio/macroeconomic backdrop:

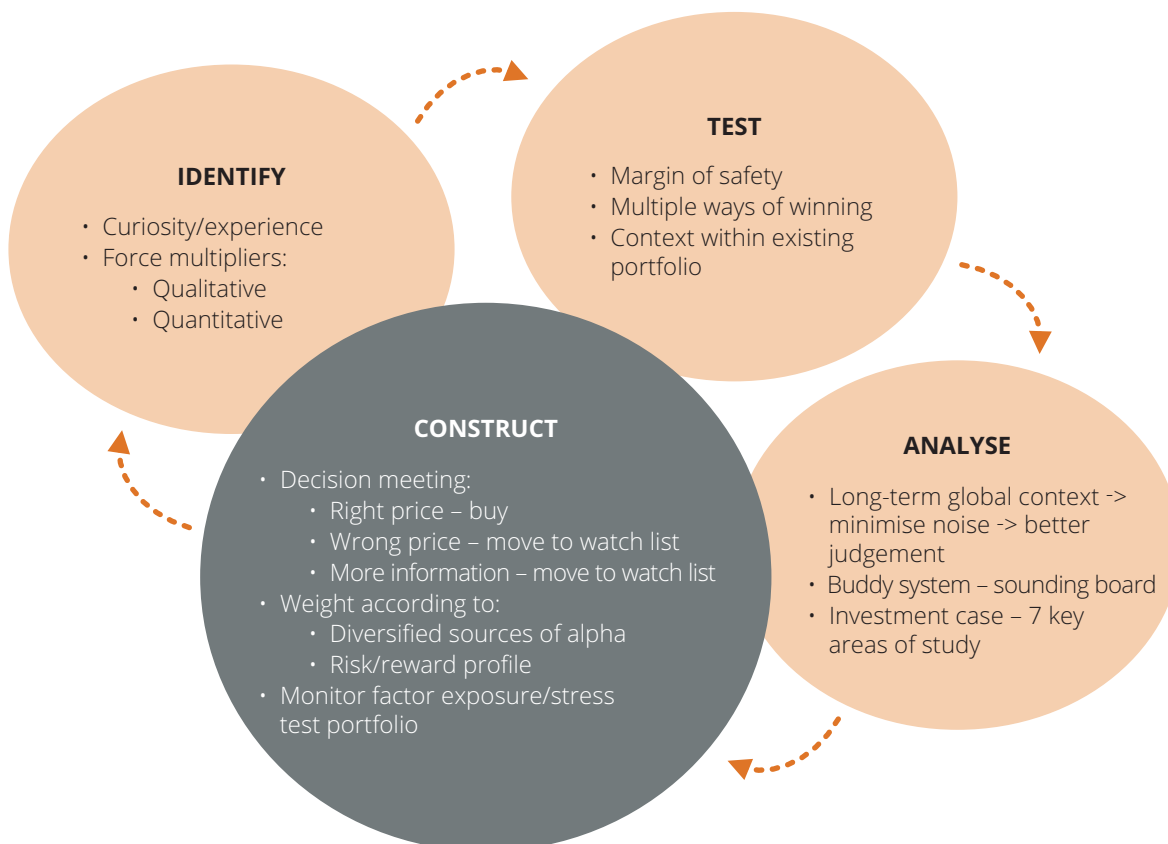
- Globalisation and ubiquitous access to information as a potential leveller of returns and a force of empowerment for the other 6 billion
- Debt and wealth imbalances are extreme, Central Banks' politicised and large corporations have never been more powerful
- Consider the attitudes, institutions and structures that lead to a more resilient society, e.g. rule of law, social cohesion, specific biases, etc.

Given this backdrop, for socio/macroeconomic opportunities the Investment Manager applies the following investment framework:

- Managing the currency risk that arises from stock selection by firstly identifying significant valuation anomalies via objective analysis:
  - Terms of trade, purchasing power parity and growth differentials
  - Monetary aggregate growth
  - Nominal and real interest rate carry
- Identifying tail risks and opportunities
- Considering socio/macroeconomic factors when evaluating an individual company's prospects, e.g. relative attractiveness of exporters versus domestic exposures, health of the institutional environment, etc.
- Sovereign risk assessment covering the relative health of the country's balance sheet (public and private) and institutional environment
- Real world reality check considering export competitiveness and relative cost of living, e.g., the "Big Mac index"
- Given the greater level of unknown risk a higher margin of safety is required than for long investments

### **ANTIPODES PARTNERS' INVESTMENT APPROACH**

Antipodes Partners' investment approach in practice can be broken down into four iterative steps as follows:



## **IDENTIFY**

The Investment Manager's approach to idea generation can be best described as eclectic, that is, idiosyncratic curiosity combined with many years of experience. As part of this process, "force multipliers" play an important role in focusing team resources and these take two basic forms:

- Quantitative filters
- Qualitative input/signals

## **TEST**

Any investment team, regardless of its size, represents a scarce resource relative to the opportunity set and should be managed as such. Once an opportunity has been identified, Antipodes Partners performs an initial reality check before committing a large amount of research resource. This check will focus on three key areas:

- Margin of safety, that is the merit of the idea relative to the degree to which this may already be expressed in the valuation
- Multiple ways of winning, that is the investment outcome should not depend on just one single factor (or point of failure), rather multiple factors that will contribute to expected outcome
- Context within existing portfolio, given our desire for non-correlated sources of alpha.

## **ANALYSE**

Antipodes Partners' broad approach is fundamental research within a global context. It strives to ignore short-term noise with the goal of improving its longer-term judgement. Further, team alignment results in a naturally collaborative culture. To maximise the benefits of peer review without diluting overall team focus, the Investment Manager employs a system where each major research project has a lead analyst, but is supported by a secondary analyst (buddy), who acts as a sounding board on the project. Antipodes Partners believes this both strengthens the research process and allows for earlier identification of flaws in the investment case.

If an idea passes the initial reality check, the research process will move forward and ultimately deliver a research note covering seven key areas of study.

## **CONSTRUCT**

Antipodes Partners' goal is to build resilient portfolios that maximise risk-adjusted returns based on the following principles:

- Diversified sources of alpha
- Holdings weighted according to risk/return profile – typically a single stock limit of 6% at initiation and typically:
  - Top 10 > 35%
  - Top 30 > 70%
- High conviction, that is beyond 30 key ideas the benefits of diversification tend to be offset by conviction drift
- Where permitted, use of shorts and currency positions to offset unwanted risks and protect from tail risk
- Unnecessary turnover minimised
- Reduction in the level of unknown portfolio risk by calculating various factor exposures and stress testing



## 6. Fees and costs

This table shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole. Information in relation to Taxation is set out in section 7 of the PDS and this Additional Information to the PDS.

You should read all of the information about fees and costs because it is important to understand their impact on your investment. This information should be read in conjunction with the PDS.

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the Fund</b>		
<b>Establishment fee</b> The fee to open your investment.	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment.	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management costs<sup>1</sup></b>		
The fees and costs for managing your investment.	Management fee of 1.20%p.a, plus a Performance fee of 15% of the Fund's outperformance of its benchmark.	The management fee is calculated on the net asset value of the Fund and is deducted from the assets of the Fund. This fee is not directly deducted from your account. This fee is accrued daily and paid quarterly and is incorporated into the daily unit price of the Fund. <sup>2</sup> Performance fee of 15% of the difference in a Fund's return (net of management fees) relative to its benchmark return multiplied by the net asset value of the Fund. The performance fee is calculated and accrued each business day and is payable at the end of each 6 month period ending 30 June and 31 December. <sup>3</sup>
<b>Service fees</b>		
<b>Switching fee<sup>4</sup></b> The fee for changing investment options.	Nil	Not applicable

1. Fees and costs may be negotiated with wholesale clients – please refer to 'Differential fees' in 'Additional explanation of fees and costs' below for further information. Fees are inclusive of GST and of any applicable reduced input tax credits ('RITC')
2. Currently, we do not separately recover expenses from the Fund. Instead, we bear those expenses out of the management costs of the Fund at no additional cost to you. If the Fund incurs unusual or non-recurrent expenses (for example, for unit holder meetings) we would normally recover those expenses out of the Fund.
3. Refer to 'Performance fees for the Fund' in 'Additional explanation of fees and costs' below for more information.
4. When money moves in or out of the Fund, you may incur a buy/sell spread which is included in the unit price of the Fund. Please refer to 'Buy/Sell Spread' in 'Additional explanation of fees and costs' below for more information.

### ADDITIONAL EXPLANATION OF FEES AND COSTS

#### Performance fees for the Fund

Depending on how well the Fund performs, the Investment Manager may be entitled to receive a performance fee which is payable by the Fund.

Performance fee of 15% of the difference in a Fund's return (net of management fees) relative to its benchmark return multiplied by the net asset value of the Fund. The Fund's performance benchmark is MSCI All Country World Net Index in AUD. If this index ceases to be published, we will nominate an equivalent replacement index.

The performance fee is calculated and accrued each business day and is payable at the end of each 6 month period ending 30 June and 31 December.

The Investment Manager will only be paid the performance fee if the Fund's net daily performance fee accrual is positive. That is, any previous negative performance fee accruals generated when the Fund underperformed the benchmark have been recovered.

### Worked Example – Performance Fee Calculation

The worked example in the following table is shown only for the purpose of illustrating how the performance fee may be calculated for three **unrelated** days only, and assumes there are no applications or redemptions made during each day. The daily performance fee accrual is actually calculated as the day's opening NAV excluding the performance fee accrual plus any applications, minus any redemptions (both assumed to be nil in the examples), multiplied by the Fund's daily out or underperformance of the benchmark, multiplied by 15% (performance fee rate). The day's performance fee accrual is then added to the performance fee accrual balance (carried over from the previous day) to give the total performance fee for the period. If the performance fee accrual balance at the end of a period is negative, it is carried over to the next performance period. The actual performance in the ordinary course of business, the unit price, the benchmark, and the hurdles may all fluctuate during the period. It is also important to note the below table is not an indication of the expected or future performance of the Fund, and that actual performance may differ materially from that used in the following worked example.

Fee Components	Example Day 1	Example Day 15	Example Day 30
Performance fee rate	15%	15%	15%
Opening NAV excluding performance fee accrual	\$10,000,000	\$15,000,000	\$20,000,000
Fund daily return	0.10%	0.50%	-0.25%
Benchmark daily return	0.05%	-0.25%	0.70%
Daily out/underperformance of benchmark	0.05%	0.75%	-0.95%
Daily performance fee accrual*	\$750	\$16,875	-\$28,500
Performance fee accrual (carried over from previous day)	\$20,000	-\$60,000	\$75,000
<b>Total performance fee accrual</b>	<b>\$20,750</b>	<b>-\$43,125</b>	<b>\$46,500</b>

\* If the performance fee accrual was positive on the last day of the performance period, a performance fee would be payable equal to the performance fee accrual (includes the net effect of GST and RITC).

### UNITS WITHDRAWN DURING A CALCULATION PERIOD

The proceeds received by investors for units withdrawn during a calculation period will be net of any payable performance fees accrued. Where the accrued performance fee is negative and units are withdrawn, the accrued performance fee will be proportionately adjusted.

### INDIRECT INVESTORS – ADDITIONAL MASTER TRUST OR WRAP ACCOUNT FEES

For investors accessing the Fund through a master trust or wrap account, additional fees and costs may apply. These fees and costs are stated in the offer document provided by your master trust or wrap account operator.

### INCIDENTAL FEES AND COSTS

Standard government fees, duties and bank charges may also apply to your investments and withdrawals, including dishonour fees and conversion costs.

### THE CONSTITUTION AND FEE CHANGES

Under the Fund constitution we are entitled to certain fees which we do not currently charge and some fees currently charged are less than the maximum amounts allowed under the Fund constitution (and may be different to fees charged on other classes of units).

Fee	Maximum under the constitution	Amount currently charged
Contribution fee	5% (exclusive of GST) of the application (investment) amount	Nil
Withdrawal fee	5% (exclusive of GST) of the exit price payable on the withdrawal of units	Nil
Management fee	5% p.a. (exclusive of GST) of the total gross asset value of the Fund's property	1.20% per annum of the net asset value of the Fund's property
Performance fee	A maximum performance fee rate of up to 30% (exclusive of GST)	A performance fee rate of 15% currently applies

The constitution also allows us to be reimbursed for certain ongoing expenses incurred in the operation of the Fund including, but not limited to:

- maintaining the investor register,
- accounting expenses,
- auditing, and
- legal fees incurred in the discharge of our duties.

We have the right to increase the fees or to charge fees not currently levied up to the maximum limits set out in the Fund constitution without your consent. If we choose to exercise this right, we will provide you with 30 days prior written notice.

## DIFFERENTIAL FEES

The management costs of the Fund may be negotiated with persons who qualify as wholesale clients within the meaning of the Corporations Act, such as sophisticated or professional investors. In negotiating such fees, we will take into consideration our obligations under the Corporations Act. Please contact Pinnacle Client Services on 1300 360 306 for further details.

## SWITCHING FEE

You may switch from one Antipodes Partners' managed fund to another Antipodes Partners' managed fund at any time. A switch operates as a withdrawal of units in one fund and the investment of units in another and therefore may have taxation implications. Please contact a licensed financial or taxation adviser for further information.

There is no switching fee applicable as at the date of this Additional Information to the PDS. However, a buy/sell spread may apply to the Fund at the time of the switch.

## INTERFUNDING

Where the Fund invests in other Antipodes Partners' managed funds we will ensure there is no doubling-up of management costs.

## BUY/SELL SPREAD

The difference between the entry price and the exit price of a fund is known as a buy/sell spread. The buy/ sell spread represents an apportionment of transaction costs incurred by a fund in purchasing and disposing of its investments. It is an adjustment determined by the Responsible Entity to take into account the costs incurred when buying and selling the underlying securities in the fund (for example, transaction costs such as brokerage and any clearing and settlement costs and stamp duty, if applicable).

If you invest in a fund that charges a buy/sell spread, it will be an additional cost to you, but is included in the unit price of the fund and not charged separately. It is not a cost that is paid to the Responsible Entity.

The estimated buy/sell spread for the Fund is outlined in the PDS. However, in circumstances where the Responsible Entity determines that unit holders of the Fund are not being treated equitably (for example, in stressed and dislocated markets), the buy/sell spread may be higher than our estimate. From time to time, we may vary the buy/sell spread without notice to reflect changing circumstances. Any revised spread will be applied uniformly to transacting investors while that spread applies.

## ADVISER COMMISSIONS

We do not pay commissions to financial advisers.

## FOR MORE INFORMATION ON FEES AND COSTS

ASIC Class Order 14/1252 applies in relation to this PDS. If you would like to better understand how our fee structure may impact your investment in the Fund, we recommend that you speak to your financial adviser or visit the ASIC website at [www.moneysmart.gov.au](http://www.moneysmart.gov.au), where a fee calculator is available to help you compare the fees of different managed investment products.

## mFUND COSTS

Your broker may charge you a fee to help you acquire or redeem units via mFund.

## 7. Taxation

**WARNING: Investing in a registered managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice.**

The taxation implications of investing in the Fund can be complex and depend on a number of factors, including whether you are a resident or non-resident of Australia for taxation purposes and whether you hold the units on capital account or revenue account.

### INCOME OF THE FUND

The Fund has been established as an Australian resident unit trust. It is intended that investors will be presently entitled to all of the income from the Fund for each financial year such that no taxation liability will accrue to the Responsible Entity. However, for income distributed to unit holders who are non-residents of Australia or are under a legal disability (e.g. under the age of 18), the Fund may be required to withhold tax or be subject to taxation on their behalf.

The Fund's investments and activities are likely to give rise to income, dividends, capital gains and losses.

The income of the Fund may be affected by the Taxation of Financial Arrangements rules. If so, the timing of when such income is brought to account for tax purposes may be different to the amount distributed to you, so that you may be required to pay on income that has not yet been distributed to you.

### TAXATION OF AUSTRALIAN RESIDENT INVESTORS

Investors are generally subject to tax on their share of the net income from the Fund to which they are presently entitled in each financial year. This will also include amounts that are reinvested in the Fund. The way in which investors are taxed will depend on the character of the income they receive (for example, franked dividends to which franking credits may attach, capital gains, foreign income to which foreign income tax offsets may attach, or interest income).

We will provide you with an annual taxation statement after 30 June each year. The annual taxation statement will outline the tax treatment of the distributions you have received in that income year, including any foreign income tax offsets and franking credit entitlements.

To the extent that an investor's share of the net income of the Fund is attributable to a capital gain made by the Fund, the investor will include the capital gain in their assessable income. Certain investors may be entitled to apply the relevant Capital Gains Tax ("CGT") discount to work out the net capital gain to include in their assessable income. In normal circumstances, you should expect the Fund to derive income and/or capital gains each year.

## WITHDRAWALS FROM THE FUND AND DISPOSAL OF UNITS

Withdrawal or disposal of a unit in the Fund is the disposal or cancellation of a CGT asset by an investor and a CGT event for tax purposes. To the extent that the proceeds exceed the cost base on the unit, you will make a capital gain. However, if the proceeds are less than your reduced cost base, you will make a capital loss. Generally, a capital loss can only be used to offset against capital gains derived in the current or a future tax year.

Investors may be entitled to a 50% CGT discount (where the investor is an individual or trust) or a 33.33% CGT discount (where the investor is a complying superannuation fund) if the investor has held the unit for at least 12 months.

Gains and losses realised by an investor who holds their units on revenue account will be taxable as ordinary income or an allowable deduction, as the case may be, and will not qualify for the CGT discount.

## NON-RESIDENT INDIVIDUAL UNIT HOLDERS

The above taxation summary is only for investors who are residents of Australia for tax purposes. The tax treatment of non-resident investors in the Fund depends on the investor's particular circumstances and the provisions of the relevant Double Tax Agreement between Australia and the country of residence. It is important that non-resident investors seek independent professional taxation advice before investing in the Fund.

The Fund may be required to withhold tax on part or all of the distributions made to non-resident investors.

## GOODS AND SERVICES TAX ('GST')

Unless otherwise stated, the fees quoted in the PDS and this Additional Information to the PDS are inclusive of the net effect of GST and RITC.

## TAX FILE NUMBERS AND AUSTRALIAN BUSINESS NUMBERS

You are not required to quote your Tax File Number ('TFN') or, if you have one, an Australian Business Number ('ABN')<sup>1</sup> or claim an exemption from providing a TFN.

However, if a TFN or ABN is not provided or an exemption is not claimed, we are required by law to withhold tax from distributions at the top marginal tax rate plus the Medicare Levy. If you are making this investment on behalf of a business or enterprise you carry on, you may quote your ABN instead of a TFN.

## FOREIGN ACCOUNT TAX COMPLIANCE ACT ('FATCA')

There are certain consequences that may occur if you apply to invest and you are, or become, a US entity, a US citizen, reside in the US or have some connection with the US. These consequences may potentially be adverse to you. If this applies to you, we encourage you to seek professional taxation advice.

Based on current guidance, the Responsible Entity believes that the Fund must comply with certain requirements under FATCA, that applied from 1 July 2014. Accordingly, we may request that you provide certain information about yourself in order for us to comply with our FATCA obligations.

## 8. Privacy

When Investors apply to invest in the Fund they acknowledge and agree that:

- a) they are required to provide the Responsible Entity with certain personal information to facilitate this application; and
- b) the Responsible Entity may be required to disclose this information to:
  - i. third parties carrying out functions on behalf of the Responsible Entity on a confidential basis;
  - ii. third parties if that disclosure is required by or to the extent permitted by law; and
  - iii. an investor's adviser.

All personal information will be collected, used and stored by the Responsible Entity in accordance with our Privacy Policy, a copy of which is available on request. We will use your information for the purpose of marketing products issued by us and our related entities. To ensure that the personal information we retain about you is accurate, complete and up to date, please contact us if any of your details change. You can unsubscribe from marketing communications from us at any time by contacting us.

### COLLECTING AND USING YOUR INFORMATION

We collect information for the following purposes:

- to process your application;
- to administer your investment and provide you with reports;
- to monitor and improve the quality of service provided to you; and
- to comply with regulatory or legal requirements, including the Corporations Act, the Proceeds of Crime Act, the Financial Transaction Reports Act, the Anti-Money Laundering and Counter-Terrorism Financing Act and the Foreign Account Tax Compliance Act.

We also ask you for some personal details so that we, and our related companies, can keep in touch with you and tell you on an ongoing basis about our other products and services that could be useful to you. We may do this by telephone, electronic messages (e.g. email) and other means. Please contact us if you do not wish your details to be used for marketing purposes.

We may gather information about you from a third party. These include credit agencies, financial advisers, fund managers or intermediaries and spouses. We may also collect details of your interactions with us and our products and services (including from our records of any telephone and email interactions).

If you provide someone else's personal information to us, you must ensure that they first agree on the basis of this privacy section.

<sup>1</sup> Under AML/CTF law, disclosure of an ABN is required for those individual investors who are a sole trader.

## **DISCLOSING YOUR INFORMATION**

We exchange your personal information with your consultant/adviser and third parties appointed by your consultants/adviser if you complete Authorised Representative section of the application form, or if you request us to, and to any other authorised representative of yours (such as your accountant or lawyer) from time to time. In addition, we may exchange personal information about you in the following circumstances:

- you consent to the disclosure;
- with any joint investor;
- with companies that provide services to us, to our related companies, to the Fund, or on our behalf (and our related companies may also exchange personal information with these companies) - for example administration, custody, investment management, technology, identity verification, auditing, registry, mailing or printing services; or
- where required or authorised by law, which may include disclosures to the Australian Taxation Office and other Government or regulatory bodies; or
- with organisations related to us such as Pinnacle Investment Management Limited and its related bodies corporate, whether in Australia or any overseas jurisdiction ('Related Companies').

## **9. Investment by New Zealand investors**

### **Warning Statement – Issues to NZ Investors**

- This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
- This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
- There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
- The rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies and compensation arrangements for New Zealand financial products.
- Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.
- The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
- If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.
- The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars.
- The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
- If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.
- The dispute resolution process described in this offer document is only available in Australia and is not available in New Zealand.

## **10. How we keep you informed**

For the most up to date information on your investment with Antipodes Partners, please visit [www.antipodespartners.com](http://www.antipodespartners.com).

At Antipodes Partners' website you can:

- Access PDS documents, Additional Information to the PDS and the annual financial reports for the Fund.
- Download fund forms which includes the application form and other standard administration forms
- Monitor unit prices, investment performance, and changes to the Fund.
- Read the latest views and opinions of our investment managers and investment strategist.

### **CONFIRMATION STATEMENT**

A statement of confirmation will be sent to you for your initial investment, as well as any additional investments, withdrawals and changes that you make to your account (such as change in address).

### **TRANSACTION STATEMENT**

You will receive a transaction statement on a quarterly basis. The transaction statement will provide you with the total value of your investment as at the end of that period, including any switches, withdrawals, investments and distributions received.

### **ANNUAL TAXATION STATEMENT**

After making any distribution for the period ended 30 June each year, an annual taxation statement will be forwarded to you.

### **DISTRIBUTION STATEMENT**

A distribution statement will be sent to you in the month following the end of a distribution period, detailing your income distribution and current balance.

### **FINANCIAL REPORT**

The annual financial report for the Fund you are invested in, detailing the financial performance of the Fund for the financial year ending 30 June, can be downloaded from [www.antipodespartners.com](http://www.antipodespartners.com) after 30 September each year.

## **CONTINUOUS DISCLOSURE**

The Responsible Entity will comply with the continuous disclosure requirements for disclosing entities under the Corporations Act.

This means that copies of documents the Responsible Entity lodges with ASIC may be obtained from or inspected at an ASIC office.

The Responsible Entity will also send you free, upon request, copies of

- The most recent annual financial report for the Fund lodged with ASIC.
- Any half year financial reports for the Fund lodged with ASIC after the lodgement of the most recent annual financial report and before the date of the PDS.

Also, we will comply with our continuous disclosure obligations for the Fund by publishing material information at [www.antipodespartners.com](http://www.antipodespartners.com).

## **11. Additional Information**

### **INCOMPLETE APPLICATIONS**

Application monies accompanying an incomplete application will be retained in a non-interest bearing trust account for up to 30 days pending receipt of the required information.

### **DECLARATION**

Please sign the application form including the appropriate declaration. All applicants must sign. Corporate applicants may sign under common seal or by their authorised representatives. If signing under a power of attorney, you are certifying that the power of attorney has not been revoked (a certified copy of power of attorney must be submitted with this application unless we have already sighted it).

### **EFFECT OF THE APPLICATION FORM**

In addition to the acknowledgments contained in the Declaration on the application form, by completing and signing the application form, the investor:

- (a) agrees to be bound by the provisions of the Fund constitution;
- (b) acknowledges having read and understood the PDS, including this document;
- (c) authorises the provision of information relating to the investor's account to the named financial adviser, and any other person authorised by that adviser, from time to time;
- (d) authorises the use of the TFN information provided on the application form in respect of the investor's Fund account;
- (e) acknowledges that neither the Responsible Entity, its respective holding companies and officers, nor the Investment Manager and its respective officers and holding companies, guarantees the capital invested by investors or the performance of the specific investments of the Fund;
- (f) acknowledges that the provision of the product available through the PDS should not be taken as the giving of investment advice by the Investment Manager or the Responsible Entity, as they are not aware of the investor's investment objectives, financial position or particular needs;
- (g) acknowledges that the investor is responsible for ensuring that the information on the application form is complete and correct;
- (h) acknowledges that neither the Responsible Entity nor its agents are responsible where a loss may be suffered as a result of the investor providing incorrect or incomplete information;
- (i) agrees that the Responsible Entity may:
  - (1) require the investor to provide any additional documentation or other information and perform any acts to enable compliance with any laws relating to anti-money laundering and counter terrorism financing ('AML') or any other law;
  - (2) at its absolute discretion and without notice to the investor, take any action it considers appropriate including blocking or delaying transactions on the investor's account or refuse to provide services to the investor to comply with any law relating to AML or any other law; and
  - (3) in its absolute discretion and without notice to the investor report any, or any proposed, transaction or activity to anybody authorised to accept such reports relating to AML or any other law; and
- (j) acknowledges that the Responsible Entity is required to collect the investor's personal information under the Corporations Act 2001 and the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 and agrees that information provided may be used as detailed in the PDS and the Responsible Entity's Privacy Policy.

### **ELECTRONIC PDS**

The application form may only be distributed when accompanied by a complete and unaltered copy of the PDS. The application form contains a declaration that the investor has personally received the complete and unaltered PDS prior to completing the application form.

The Responsible Entity will not accept a completed application form if it has reason to believe that the applicant has not received a complete paper copy or electronic copy of the PDS or if it has reason to believe the application form or electronic copy of the PDS has been altered or tampered with in any way. Whilst the Responsible Entity believes that it is extremely unlikely that during the period of the PDS the electronic version of the PDS will be tampered with or altered in any way, the Responsible Entity cannot give any absolute assurance that this will not occur.

Any investor in doubt concerning the validity or integrity of an electronic copy of the PDS should immediately request a paper copy of the PDS directly from the Responsible Entity.

## **AUTHORISED REPRESENTATIVE FORM**

### **Appointment of authorised representative**

A person appointed as your authorised representative is authorised by you to: apply for units in the Fund and sign all documents necessary for this purpose; make requests to redeem all or some of your units (receipt by the authorised representative or as directed by the authorised representative fully discharges our redemption obligations to you); and make written requests for information regarding your units.

The Responsible Entity may act on the sole instructions of the authorised representative until the Responsible Entity is notified that the appointment of the authorised representative is terminated.

You can cancel your appointment of the authorised representative by giving the Responsible Entity 14 days prior notice, as permitted by law. Termination of an appointment does not prejudice the following statement. By appointing an authorised representative, you agree to release, discharge and indemnify the Responsible Entity from and against any loss, expense, action, claims or other liability which may be suffered by you or brought against the Responsible Entity for any actions or omissions by you or your authorised representative, whether authorised or not by you or your authorised representative. Any request for information by an authorised representative will be responded to in writing only. Such written responses will be sent to the authorised representative's email/fax/residential address nominated on the Authorised Representative Form.

If an authorised representative is a partnership or a company, any one of the partners or any director of the company is each individually deemed to have the powers of the authorised representative. It is sufficient for the Responsible Entity to show that it had reasonable grounds for belief that an action was taken or a request given by or for an authorised representative where determining whether an action or request was taken or given by the authorised representative.



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## Contact

If you have a query in relation to the Fund, please contact Pinnacle, the Fund's distributor, at:

Telephone: **1300 360 306**  
Email: **[service@pinnacleinvestment.com.au](mailto:service@pinnacleinvestment.com.au)**  
Website: **[www.pinnacleinvestment.com.au](http://www.pinnacleinvestment.com.au)**

