

# BNP Paribas Absolute Return Fixed Income Trust



**BNP PARIBAS**  
ASSET MANAGEMENT

## Product Disclosure Statement

ARSN 120 566 547  
APIR ETL0073AU  
Issue Date 7 April 2020

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**Delegated Investment Manager**  
BNP PARIBAS ASSET MANAGEMENT  
USA, Inc.

This Product Disclosure Statement ("PDS") is for the offer of units in the BNP Paribas Absolute Return Fixed Income Trust (ARSN 120 566 547) (the "Trust") and was issued on 7 April 2020.

The PDS has been prepared and issued by Equity Trustees Limited (ABN 46 004 031 298, Australian Financial Services Licence ("AFSL") No. 240975) in its capacity as the responsible entity of the Trust (referred throughout this PDS as the "Responsible Entity", "Equity Trustees", "us" or "we"). The investment manager of the Trust is BNP PARIBAS ASSET MANAGEMENT Australia Limited (referred to throughout this PDS as "BNP Paribas Asset Management" or the "Investment Manager"). BNP PARIBAS ASSET MANAGEMENT USA, Inc. (referred to throughout this PDS as "BNPP AMUS" or the "Delegated Investment Manager") is the delegated investment manager of the Trust. BNPP AMUS is organised under the laws of the United States of America (being a New York corporation registered as an investment adviser with the US Securities & Exchange Commission) and is a member of the BNP Paribas Group.

The Responsible Entity has authorised the use of this PDS as disclosure to investors and prospective investors who invest directly in the Trust, as well as investors and prospective investors of an investor directed portfolio service, master trust, wrap account or an investor directed portfolio service-like scheme ("IDPS"). This PDS is available for use by persons applying for units through an IDPS ("Indirect Investors").

The operator of an IDPS is referred to in this PDS as the "IDPS Operator" and the disclosure document for an IDPS is referred to as the "IDPS Guide". If you invest through an IDPS, your rights and liabilities will be governed by the terms and conditions of the IDPS Guide. Indirect Investors should carefully read the IDPS Guide before investing in the Trust. Indirect Investors should note that they are directing the IDPS Operator to arrange for their money to be invested in the Trust on their behalf. Indirect Investors do not become investors in the Trust or have the rights of investors. The IDPS Operator becomes the investor in the Trust and acquires these rights. The IDPS Operator can exercise or decline to exercise the rights on an Indirect Investor's behalf according to the arrangement governing the IDPS. Indirect Investors should refer to their IDPS Guide for information relating to their rights and responsibilities as an Indirect Investor, including information on any fees and charges applicable to their investment. Information regarding how Indirect Investors can apply for units in the Trust (including an application form where applicable) will also be contained in the IDPS Guide. Equity Trustees is not responsible for the operation of any IDPS, and accepts no responsibility for IDPS Operators or any failure by an IDPS Operator to provide Indirect Investors with a current version of this PDS as provided by Equity Trustees or to withdraw the PDS from circulation if required by Equity Trustees.

Please ask your adviser if you have any questions about investing in the Trust (either directly or indirectly through an IDPS).

This PDS is prepared for your general information only. It is not intended to be a recommendation by the Responsible Entity, Investment Manager or Delegated Investment Manager, any associate, employee, agent or officer of the Responsible Entity, Investment Manager or Delegated Investment Manager or any other person to invest in the Trust. This PDS does not take into account the investment objectives, financial situation or needs of any particular investor. You should not base your decision to invest in the Trust solely on the information in this PDS. You should consider whether the information in this PDS is appropriate for you, having regard to your objectives, financial situation and needs and you may want to seek professional financial and taxation advice before making an investment decision.

Equity Trustees, the Investment Manager, the Delegated Investment Manager, BNP Paribas SA or any member of the BNP Paribas Group and their employees, associates, agents and officers do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Trust. Past performance is no indication of future performance. An investment in the Trust does not represent a deposit with or a liability of Equity Trustees, the Investment Manager, the Delegated Investment Manager, BNP Paribas SA or any member of the BNP Paribas Group or any of their associates. An investment in the Trust is subject to investment risk, including possible delays in repayment and loss of income or capital invested. Units in the Trust are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. You should read this PDS in its entirety because you will become bound by it if you become a direct investor in the Trust.

The forward looking statements included in this PDS involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Equity Trustees, the Investment Manager, the Delegated Investment Manager and their officers, employees, agents and associates. Actual future events may vary materially from the forward looking statements and the assumptions on which those statements are based. Given these uncertainties, you are cautioned to not place undue reliance on such forward looking statements.

In considering whether to invest in the Trust, investors should consider the risk factors that could affect the financial performance of the Trust. The significant risk factors affecting the Trust are summarised in Section 6.

The offer made in this PDS is available only to persons receiving this PDS in Australia and New Zealand (electronically or otherwise). This PDS is only available for use by persons applying for units as Wholesale Clients in Australia or Wholesale Investors in New Zealand, as defined in this PDS.

The offer is not to be treated as an offer to, and is not capable of acceptance by, any person in New Zealand who is not a Wholesale Investor. New Zealand Wholesale Investors must read the BNP Paribas Absolute Return Fixed Income Trust New Zealand Wholesale Investor Fact Sheet before investing in the Trust. New Zealand Wholesale Investors wishing to invest in the Trust should be aware that there may be different tax implications of investing in the Trust and should seek their own tax advice as necessary.

This PDS does not constitute a direct or indirect offer of securities in the United States 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 its position and offers may be accepted on merit at Equity Trustees' discretion. Units in the Trust 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) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

If you received this PDS electronically, you will need to print and read this document in its entirety. We will provide a paper copy free upon request during the life of this PDS. Please call BNP Paribas Asset Management's Client Services on 1800 267 726 (Australia) or +612 9619 6041 for a copy.

Certain information in this PDS is subject to change. We will notify investors in writing of any changes that have a materially adverse impact or other significant events that affect the information in this PDS. Any updated information which is not materially adverse information may be obtained:

- by calling BNP Paribas Asset Management's Client Services on 1800 267 726 (Australia) or +612 9619 6041; or

- by visiting BNP Paribas Asset Management's website at [www.bnpparibas-am.com.au](http://www.bnpparibas-am.com.au)

A paper copy of the updated information will be provided free of charge on request.

You may also contact Equity Trustees:

- by writing to GPO Box 2307 Melbourne Vic 3001; or

- by calling +613 8623 5000.

Unless otherwise stated, all fees quoted in the PDS are inclusive of GST, after allowing for an estimate for Reduced Input Tax Credits ("RITC"). All amounts are in Australian dollars unless otherwise specified. All references to legislation are to Australian law unless otherwise specified.

# 1. Trust at a glance

	Summary	For further information
<i>Name of the Trust</i>	BNP Paribas Absolute Return Fixed Income Trust	Section 5
<i>ARSN</i>	120 566 547	Section 5
<i>APIR</i>	ETL0073AU	Section 5
<i>Investment objective<sup>1</sup></i>	The Trust seeks to generate positive absolute returns consistent with a target volatility of 350 basis points. The Benchmark index is the Bloomberg Ausbond Bank Bill Index.	Section 5
<i>Investment strategy and investments held</i>	The Trust is actively managed and is diversified across a broad range of assets from bond markets globally to money market instruments and currencies. It is designed to deliver consistent returns throughout the investment cycle while remaining within strict risk parameters.	Section 5
<i>Trust type</i>	The Trust is an unlisted registered managed investment scheme.	Section 5
<i>The type(s) of investors for whom the Trust would be suitable</i>	The Trust may be suitable for an investor seeking to invest in a trust with an absolute return investment strategy. An investor in the Trust must expect fluctuations in the value of their investment, which could lead to losses in the value of their investment.	Section 5
<i>Recommended investment timeframe</i>	At least 3 to 5 years. We recommend that you consider, with your financial adviser, the suggested investment period for the Trust having regard to your own investment timeframe. You should review your investment regularly to ensure that the Trust continues to meet your investment needs.	Section 5
<i>Significant risks</i>	Information on significant risks in relation to an investment in the Trust is described in Section 6 "Managing risk".	Section 6
<i>Minimum initial investment<sup>2</sup></i>	The minimum investment amount in the Trust is \$500,000.	Section 7
<i>Minimum additional investment</i>	No minimum is applicable.	Section 7
<i>Minimum withdrawal amount<sup>2</sup></i>	The minimum withdrawal amount in the Trust is \$50. Where a withdrawal request would take the remaining balance below the minimum level of \$500,000, a full withdrawal may be required.	Section 7
<i>Minimum balance<sup>2</sup></i>	The minimum balance is \$500,000. The Responsible Entity may in its discretion accept an initial investment amount lower than \$500,000 where subsequent additional investments ensure the minimum balance is equal or greater than \$500,000 in the near term.	Section 7
<i>Cut off time for applications and withdrawals</i>	Before 2 pm (Sydney time) on a Business Day for a correctly completed Initial Application Form/Additional Investment Form or Redemption Request Form. If you are an Indirect Investor, you need to contact the relevant IDPS Operator regarding the cut off times for applications and withdrawals.	Section 7
<i>Cooling Off</i>	No cooling off period applies to the offer made in this PDS as only Australian Wholesale Clients and New Zealand Wholesale Investors may make an investment in the Trust.	Section 7
<i>Valuation of underlying investments and unit pricing</i>	Generally determined each Business Day, based on the Net Asset Value of the Trust	Section 7
<i>Applications</i>	Accepted each Business Day within the cut off time.	Section 7
<i>Withdrawals</i>	Accepted each Business Day within the cut off time. Payment is generally within 3 Business Days of acceptance of a withdrawal request although a longer period of time is permitted under the Constitution.	Section 7
<i>Income distribution</i>	Quarterly, calculated as at the last Business Day of quarter end. Distributions will be paid as soon as possible after quarter end. Distributions can be reinvested in the Trust or paid to a nominated bank account.	Section 7
<i>Management Costs<sup>3</sup></i>	Includes management fees which are capped at 0.60% p.a. (including GST less RITCs).	Section 9

	Summary	For further information
<i>Entry fee/ exit fee</i>	Nil	Section 9
<i>Performance fee</i>	Nil	Section 9
<i>Buy/Sell Spread</i>	Nil on applications into the Trust, and 1.00% on withdrawals out of the Trust.	Section 9

<sup>1</sup> The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve. The Trust may not achieve its investment objective. Neither the Responsible Entity, the Investment Manager nor the Delegated Investment Manager or any other member of the BNP Paribas Group guarantee the Trust's investment performance, any rate of return or the repayment of capital.

<sup>2</sup> The Responsible Entity may in its discretion accept lower investment amounts, together with the minimum balance and minimum withdrawal amounts, at any time without prior notice to investors.

<sup>3</sup> The Management Costs are expressed as a percentage of NAV of the Trust. This includes GST after an allowance is made for RITCs. Refer to section called "Fees and other costs" for further details.

## 2. ASIC benchmarks

The Trust is a 'hedge fund' for the purposes of Australian Securities and Investments Commission (ASIC) Regulatory Guide 240. The following table sets out a summary of the disclosure ASIC requires for hedge funds, the key features of the Trust and a guide to where more detailed information can be found in this PDS. A copy of ASIC Regulatory Guide 240 dated October 2013 (as may be amended, supplemented or replaced from time to time) is available from [www.asic.gov.au](http://www.asic.gov.au).

The information summarised in this table and explained in detail in the identified section reference is intended to assist investors with analysing the risks of investing in the Trust. Investors should consider this information together with the detailed explanation of various benchmarks and principles referenced throughout this PDS and the key risks of investing in the Trust highlighted in Section 6 of this PDS.

Benchmark	Is the benchmark satisfied?	Summary	For further information
Benchmark 1 - Valuation of assets			
This benchmark addresses whether valuations of the Trust's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.	No	<p>The Responsible Entity has appointed a third party, BNP Paribas Securities Services, as Custodian and Administrator of the Trust. BNP Paribas Securities Services has a pricing policy in place with specific provisions for fund accounting, which incorporates valuation reporting, investment accounting, taxation, unit pricing, financial reporting, performance measurement and post trade compliance. The Trust does not technically satisfy this benchmark because the Custodian and Administrator, BNP Paribas Securities Services, the Investment Manager and the Delegated Investment Manager are part of the same global banking group.</p> <p>However, Equity Trustees reasonably considers that the relationship between the Custodian and Administrator and the Investment Manager and the Delegated Investment Manager will not affect investors because:</p> <ul style="list-style-type: none"> <li>- Equity Trustees is not related to the Custodian and Administrator and will manage its conflicts under the administration agreement;</li> <li>- the Custodian and Administrator is a professional administrator of managed funds (including funds which are not managed by related parties) and will apply the same policies and services standards which are applicable to unrelated managed funds to the valuations of the Trust; and</li> <li>- the Custodian and Administrator and Equity Trustees deal with each other on arm's length terms pursuant to a written administration agreement.</li> </ul> <p>The valuation of underlying investments is generally determined each Business Day, based on the Net Asset Value of the Trust.</p>	Section 5

Benchmark	Is the benchmark satisfied?	Summary	For further information
Benchmark 2 - Periodic reporting			
This benchmark addresses whether the Responsible Entity of the Trust will provide periodic disclosure of certain key information specified by ASIC on an annual and monthly basis.	No	<p>The Trust complies with Benchmark 2 other than in relation to the disclosure of its Derivative counterparties. The Trust does not disclose the name of its Derivative counterparties because this information is considered commercial-in-confidence.</p> <p>However, all counterparties and the trading of over-the-counter ("OTC") Derivatives are governed by the Trust's broader risk and compliance framework. Derivative transactions can only be undertaken with licensed exchanges and counterparties which have an issuer rating of investment grade or higher by Standard &amp; Poor's or any equivalent NSRO (National Statistical Rating Organization) at the time of entering into the transaction. Trading of all OTC Derivatives is also governed by ISDA agreements, with the exception of foreign exchange contracts.</p> <p>The Responsible Entity has and implements a policy to report on the following information as soon as practicable after the relevant period end:</p> <p><b>Annual Report</b> to investors, including financial statements and auditor's report;</p> <p><b>Transaction Reports</b> confirming all additional investments, withdrawals, and payments (issued following transactions and on request);</p> <p><b>Distribution Statements</b> issued quarterly notifying the investor of the value of their investment, income from investments and confirming the reinvestment or payment to the investor's bank account;</p> <p><b>Investment Reports</b> issued monthly, quarterly and annually provide information on the Trust including a review of market conditions and Trust performance, Trust size, sector allocation and holdings;</p> <p><b>Tax Statements</b> issued annually, providing investors with taxation information including a detailed summary of the components of any distributions.</p> <p>The frequency and content of the reporting for the BNP Paribas Absolute Return Fixed Income Trust is considered adequate.</p> <p>The investment report is available on BNP Paribas Asset Management's website at <a href="http://www.bnpparibas-am.com.au">www.bnpparibas-am.com.au</a> or can be emailed upon request.</p>	Section 8

### 3. ASIC disclosure principles

	Summary	Section (for further information)
Investment strategy	<p>The Trust follows a highly diversified and differentiated investment strategy, built upon BNPP AMUS's core global fixed income capabilities.</p> <p>The Trust is hedged to Australian dollars, is actively managed and invests across a broad range of assets from bond markets globally to money market instruments and currencies.</p> <p>It is designed to deliver consistent returns throughout the investment cycle while remaining within strict risk parameters.</p> <p>The approach puts drawdown (negative performance) management at the core of its approach, understanding how critical this is to absolute return.</p> <p>The Trust may use Derivative strategies to manage the risk/return profile.</p> <p>The investment strategy of the Trust is unlikely to change but if a material change occurs, notification will be provided to investors.</p> <p>The specific risks of investing in the Trust are described in Section 6 "Managing risk".</p>	Refer to Sections 5.1 and 5.2
Investment manager	<p>The Investment Manager of the Trust is BNP Paribas Asset Management. No significant adverse regulatory findings have been made against the Investment Manager.</p> <p>Under the investment management agreement between the Investment Manager and Equity Trustees, Equity Trustees can terminate the Investment Manager's appointment where the Investment Manager becomes insolvent, materially breaches the agreement, ceases to carry on its business or in other circumstances stated in Section 4.</p> <p>In the event that Equity Trustees terminates the Investment Manager following one of these events, the Investment Manager's appointment would cease upon any termination date specified in the notice, and the Investment Manager would be entitled to receive fees in accordance with the agreement until the effective date of termination.</p> <p><b>Delegated Investment Manager</b></p> <p>The Delegated Investment Manager of the Trust is BNP PARIBAS ASSET MANAGEMENT USA, Inc.</p> <p>Further details in relation to the expertise of the Delegated Investment Manager are set out in Section 4.</p>	Refer to Section 4
Trust structure	<p>The Trust is a registered managed investment scheme. The Trust's units are not listed on any securities exchange.</p> <p>The responsible entity of the Trust is Equity Trustees and Equity Trustees has appointed BNP PARIBAS ASSET MANAGEMENT Australia Limited as investment manager.</p> <p>BNP Paribas Securities Services has been contracted to provide administration and custodial services for the assets of the Trust. BNP Paribas Securities Services has outsourced the unit registry function for this Trust to OneVue Fund Services Pty Limited ACN 107 333 308.</p> <p>It is noted that while the Custodian and Administrator and the Investment Manager are members of the BNP Paribas Group, they are each appointed independently by the Responsible Entity, and each paid on an arm's length basis for their services. The Delegated Investment Manager, appointed by the Investment Manager, is also a member of the BNP Paribas Group.</p> <p>PricewaterhouseCoopers has been appointed as the auditor for the Trust.</p> <p>The Management Costs of the Trust are described in Section 9.</p> <p>The Trust is denominated in Australian dollars.</p> <p>Where an investor invests in the Trust, Equity Trustees issues ordinary units in the Trust to the investor. Each unit represents an equal share in the net assets of the Trust. No other classes of units have been issued or are contemplated to be issued by the Trust at this stage.</p> <p>See Section 5.3 for further information.</p>	Refer to Section 5.3



	Summary	Section (for further information)
Valuation, location and custody of assets	<p>For the purpose of the Trust, Equity Trustees has appointed BNP Paribas Securities Services as Custodian and Administrator of the Trust. As Custodian and Administrator, BNP Paribas Securities Services has overall responsibility for custody of the assets of the Trust, although it may appoint sub-custodians from time to time.</p> <p>The assets of the Trust are generally valued every Business Day, in line with BNP Paribas Securities Services' pricing policy.</p> <p>See Section 5.4 for further information.</p>	Refer to Section 5.4
Liquidity	The Trust invests predominately in liquid assets and therefore the Trust is expected to be liquid for the purposes of the Corporations Act.	Refer to Section 5.5
Leverage	The Trust's strategy may employ Leverage through the use of Derivatives. See Section 5.6 for an explanation of Leverage and collateral arrangements for the Trust.	Refer to Section 5.6
Derivatives	The Trust is permitted to hold Derivatives (either exchange traded or over-the-counter) which may be used either for investment or hedging purposes.	Refer to Section 5.7
Short selling	<p>The Trust may engage in Short selling.</p> <p>The Trust may also enter into a Derivative to affect a "Synthetic" Short Position.</p>	Refer to Section 5.8
Withdrawals	<p>Withdrawal requests are accepted each Business Day and the Redemption Request Form must be received before 2pm (Sydney time).</p> <p>Payment is generally within 3 Business Days of acceptance of a Redemption Request Form although a longer period of time is permitted under the Constitution. A withdrawal request can be denied if the Trust is not liquid (as defined in the Corporations Act).</p> <p>See Sections 5.9 and 7 for further information.</p>	Refer to Sections 5.9 and 7

## 4. Who is managing the Trust?

### 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 Trust'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 Trust's responsible entity are governed by the Trust's constitution ("Constitution"), the Corporations Act and general trust law. Equity Trustees has appointed BNP PARIBAS ASSET MANAGEMENT Australia Limited as the Investment Manager of the Trust. Equity Trustees has appointed a custodian to hold the assets of the Trust. The custodian has no supervisory role in relation to the operation of the Trust and is not responsible for protecting your interests.

### The Investment Manager

#### BNP PARIBAS ASSET MANAGEMENT Australia Limited

Equity Trustees has appointed BNP PARIBAS ASSET MANAGEMENT Australia Limited ("BNP Paribas Asset Management"), the Australian asset management business line of BNP Paribas SA, as the Investment Manager of the Trust. BNP Paribas SA is a listed company with a market capitalisation of EUR 66 billion as at 31 December 2019.

In Australia, BNP Paribas Asset Management distributes for a range of Australian and international investment managers, including BNP PARIBAS ASSET MANAGEMENT USA, Inc. ("Delegated Investment Manager").

Equity Trustees may terminate the Investment Manager's appointment as investment manager of the Trust at any time with written notice where, in summary:

- an insolvency event occurs in relation to the Investment Manager;
- the Investment Manager ceases to carry on business as an investment manager, or sells its main business other than for the purposes of a corporate reconstruction on terms approved by Equity Trustees;
- the Investment Manager breaches a material provision of its agreement with Equity Trustees, or fails in a material way to observe any representations given under that agreement, and does not correct that breach within 10 Business Days of receiving written notice from Equity Trustees;
- the Investment Manager ceases to be a member of the BNP Paribas Group;
- the law requires Equity Trustees to terminate the agreement, or the Investment Manager becomes a disqualified person for the purposes of the Superannuation Industry (Supervision) Act 1993 (Cth); or
- Equity Trustees reasonably considers that it is the best interests of investors to do so, or if it reasonably considers it must do so to act consistently with its duties and obligations.

In the event that Equity Trustees terminates the Investment Manager following one of these events, the Investment Manager's appointment would cease upon any termination date

specified in the notice, and the Investment Manager would be entitled to receive fees in accordance with the agreement until the effective date of termination.

No significant adverse regulatory findings have been made against the Investment Manager.

### The Delegated Investment Manager

#### BNP PARIBAS ASSET MANAGEMENT USA, Inc.

BNP PARIBAS ASSET MANAGEMENT USA, Inc. ("BNPP AMUS") is the Delegated Investment Manager of the Trust. BNPP AMUS is organised under the laws of the United States of America (being a New York corporation registered as an investment adviser with the US Securities & Exchange Commission) and is a member of the BNP Paribas Group.

No significant adverse regulatory findings have been made against the Delegated Investment Manager.

As of the date of this PDS, Alex Johnson as Head of Multi-Strategy Fixed Income – Absolute Return at BNPP AMUS has principal responsibility for the investment performance of the Trust.

He is responsible for performance, growth and development of absolute return products firm wide at BNPP AMUS. He is also responsible for the overall tactical allocation and setting of the risk budgets for each BNPP AMUS Alpha team that contributes to managing the Trust's strategy.

Alex spends approximately 100% of his time responsible for the investment strategy of the Trust.

Prior to his current role, Alex was Co-Head of Global Products and before that, Head of Portfolio Management at BNPP AMUS. He is based in New York.

Prior to joining BNPP AMUS, Alex was a Senior Portfolio Manager at Fortis Investment Management which was integrated into BNPP AMUS in 2010. Before joining Fortis Investment Management in 2008, Alex was in the Global Fixed Income team at BlackRock. Prior to this, Alex spent four years at BNPP AMUS where he was the Market Specialist responsible for short-end interest rate strategies across the major currency blocs. Alex came to BNPP AMUS from Paribas Asset Management, where he worked as a Portfolio Manager for UK and European funds. As at the date of this PDS, Alex has 23 years of global fixed income portfolio management experience. Alex has an MA in Law from Balliol College, University of Oxford and an LLM in Law from the University of Virginia.

### The Custodian and Administrator

#### BNP Paribas Securities Services

Equity Trustees has appointed BNP Paribas Securities Services as Custodian and Administrator of the Trust. As Custodian and Administrator, BNP Paribas Securities Services has overall responsibility for custody of the assets of the Trust, although it may appoint sub-custodians from time to time. BNP Paribas Securities Services has outsourced the unit registry function for this Trust to OneVue Fund Services Pty Limited ACN 107 333 308.

See Section 5.4 for further information.

## 5. How the Trust invests

### 5.1 Investment objective

The Trust's investment objective is to generate positive absolute returns consistent with a target volatility of 350 basis points.

The Benchmark index is the Bloomberg Ausbond Bank Bill Index.

### 5.2 Investment strategy

The Trust is hedged to Australian dollars, is actively managed and is diversified across a broad range of assets from bond markets globally to money market instruments and currencies.

The Trust is designed to deliver consistent returns throughout the investment cycle while remaining within strict risk parameters.

The Trust's strategy is an active fixed income strategy; it is trading-oriented. The Trust follows a highly diversified and differentiated investment strategy, built upon BNPP AMUS's core global fixed income capabilities. The team allocates risk to a full suite of independent and low correlated Alpha sources, all of which are managed internally. Alpha strategies are sourced from autonomously run Alpha teams, capturing the benefits of diversification. Allocations are reviewed systematically and regularly. The approach puts drawdown (negative performance) management at the core of its approach, understanding how critical this is to absolute return.

#### Asset Classes

As a guide, the Trust will generally hold between 100 - 300 investments across the following range of Asset Classes, (Australian government bonds, international government bonds, Australian corporate bonds, international corporate bonds, Derivatives, currencies and cash), all of which have an unrestricted 0% to 100% asset allocation other than as set out under 'Investment restrictions' below.

The Trust may use Derivative contracts and techniques for the purpose of sound portfolio management, and/or in order to improve diversification of the Trust, and/or to efficiently implement directional views on markets and securities. Refer to Section 5.7.

The Trust's strategy may employ Leverage through the use of Derivatives. See Section 5.6 for an explanation of Leverage and collateral arrangements for the Trust.

The Trust may engage in Short selling. The objective of engaging in Short selling is to profit from a decrease in the value of the security either in absolute terms or relative to another security. The Trust may also enter into a Derivative to effect a "Synthetic" Short Position. Refer to Section 5.8.

#### Investment restrictions

The Trust may invest in the Asset Classes described in this section subject to the restrictions below:

- a) the Trust will maintain an exposure to Australian dollars of between 95% and 105% of the market value of the Trust (minimum 95% hedged to Australian dollars and maximum 105% hedged to Australian dollars);
- b) the Trust will not take or seek to take effective legal or management control of the issuers in which it invests;
- c) aggregate Duration of the Trust is a minimum of -4 years to a maximum of +4 years;
- d) a maximum of 30% of assets in the Trust may be invested in Sub-investment grade Asset Classes; and
- e) the Trust will not invest in real property or physical commodities.

### How the investment strategy will produce investment returns

BNPP AMUS has developed a systematic process designed to profitably exploit market inefficiencies in fixed income across global markets.

By implementing a flexible fixed income strategy via the systematic use of multiple Alpha strategies, BNPP AMUS targets long term positive returns managed to a target risk; they deliver an unconstrained approach that uses Derivatives and flexible cash limits to mitigate market volatility. Within given risk parameters, BNPP AMUS seeks to add value through both an active allocation across global fixed income Asset Classes and stock selection within each Asset Class. BNPP AMUS believes this is the best way to deliver consistent returns and avoid a series of high and low returns.

BNPP AMUS also combines judgmental and quantitative Alpha strategies as a more powerful way to manage fixed income and yield superior results. By using both methods, they are able to diversify returns, and therefore generate a better risk-adjusted return profile throughout a market cycle.

The opportunity set for the Trust spans the fixed income universe and global currencies. Alpha generation takes place within individual BNPP AMUS Alpha teams and is derived from autonomous processes within each of these teams. The focus on individual processes is aimed at reducing correlations across the teams and therefore within the Trust.

#### Specific risks associated with investment strategy

The specific risks associated with the investment strategy of the Trust include Active Management risk, Borrowing risk, Counterparty risk, Credit risk, Currency management risk, Derivatives risk, Emerging Markets risk, Trust risk, Inflation risk, Interest rate risk, Investment specific risk, Investment selection risk, Issuer non-diversification risk, Key individual risk, Legal risk, Liquidity risk, Market risk, Operational risk, Political risk, Sector selection risk, Settlement risk and Short selling risk. An explanation of these risks is set out in Section 6 "Managing risk".

#### Risk management strategy

BNPP AMUS has dedicated investment risk management staff. They utilise a proprietary risk management system to monitor the varied risk profiles of each contributing Alpha strategy at multiple hierarchical levels. Robust risk management acts as the back-bone to the overall process, ensuring an efficient allocation and utilisation of risk through the investment cycle delivering enhanced risk-adjusted performance. Risk is managed at the trade, team and Trust level.

#### Changing the investment strategy

The investment strategy of the Trust is unlikely to change but the Responsible Entity may do so if it is in the Responsible Entity's reasonable belief that it is in the best interests of the investors as a whole to do so and the required notification would be provided to investors should any material change occur.

### 5.3 Trust Structure

Trust is registered with ASIC as a registered managed investment scheme. The Trust is governed by the Constitution. The Trust comprises assets which are acquired in accordance with the Trust's investment strategy. Investors receive units in the Trust when they invest. In general, each unit represents an equal interest in the assets of the Trust subject to liabilities; however it does not give the investor an interest in any particular asset of the Trust.

The Trust's units are not listed on any securities exchange.

The Responsible Entity of the Trust is Equity Trustees Limited.

## Service providers

As at the date of this PDS, the key service providers to the Trust are as follows:

- BNP PARIBAS ASSET MANAGEMENT Australia Limited has been appointed as Investment Manager.
- BNP PARIBAS ASSET MANAGEMENT USA, Inc. has been appointed as the Delegated Investment Manager.
- BNP Paribas Securities Services has been appointed as the Custodian and Administrator of the Trust (refer to section 5.4 for further information).
- PricewaterhouseCoopers has been appointed as the auditor for the Trust.

The Responsible Entity ensures that its key service providers comply with their service level obligations through a service provider monitoring programme. This involves a quarterly compliance certification, complemented by a six monthly review meeting with a standard agenda and a predefined list of documents that need to be submitted by the service provider.

The service providers engaged by the Responsible Entity may change without notice to investors.

## Related party relationships

It is noted that while the Custodian and Administrator and the Investment Manager are members of the BNP Paribas Group,

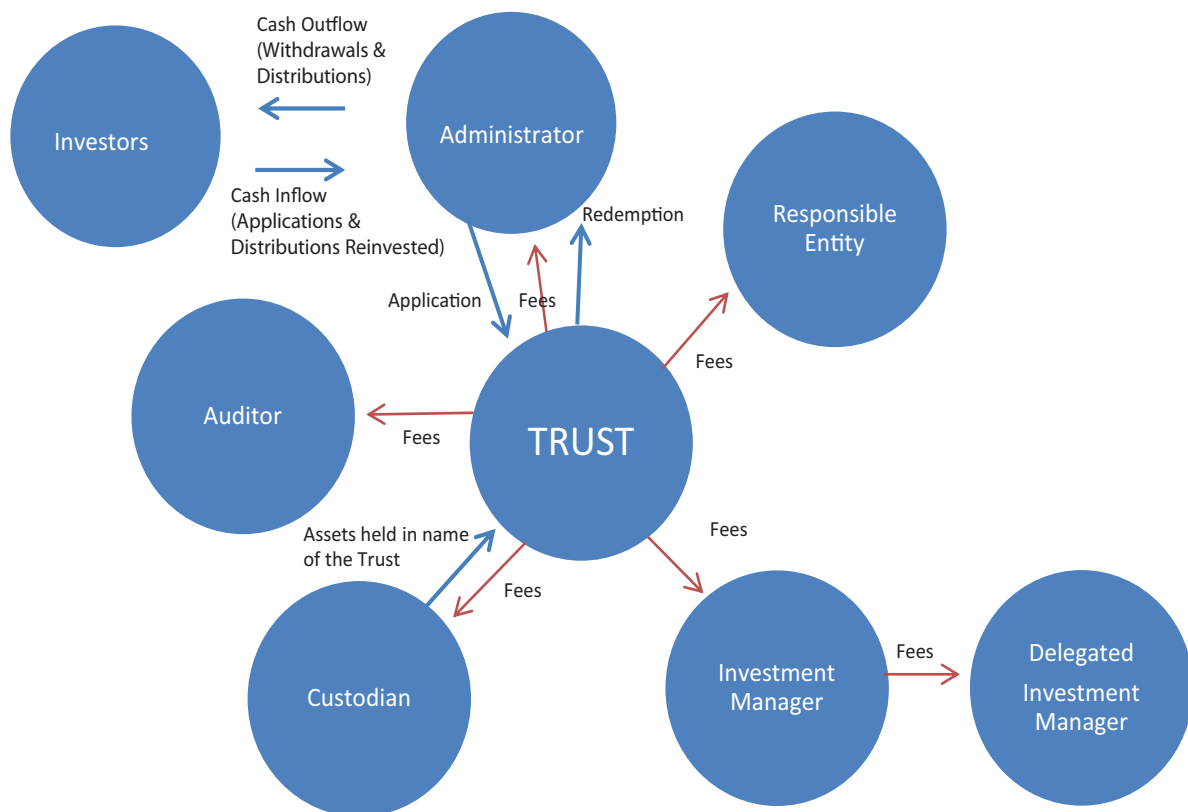
they are each appointed independently by the Responsible Entity and each paid on an arm's length basis for their services. The Custodian and Administrator may appoint sub-custodians from time to time, some of which may also be members of the BNP Paribas Group. BNP Paribas Securities Services has outsourced the unit registry function for this Trust to OneVue Fund Services Pty Limited ACN 107 333 308 which is not a member of the BNP Paribas Group.

As at the date of this PDS, all of the investment functions (including research and portfolio management) for the Trust are delegated by BNP Paribas Asset Management to BNPP AMUS. BNPP AMUS is a member of the BNP Paribas Group. BNPP AMUS is authorised to obtain certain investment management services from BNP PARIBAS ASSET MANAGEMENT UK Limited (BNPP AMUK), which is a London-based subsidiary of the BNP Paribas Group. BNPP AMUK will be remunerated for any services provided to the Trust out of the fees paid to BNPP AMUS as Delegated Investment Manager; there will be no additional fee charged to the Trust as a result of any services provided by BNPP AMUK. There are no other related party relationships in existence between the entities mentioned above and all material arrangements in connection with the Trust are on an arm's length basis.

## Flow of Funds

The Trust is denominated in Australian dollars.

The flow of funds through the Trust is shown in the diagram below.



## Estimate of aggregated costs and expenses

The management fees of the Trust are 0.60% per annum, capped, except for extraordinary expenses. If the total management fees exceed the cap, BNP Paribas Asset Management will reimburse the amount of the excess costs to the Trust unless the excess is due to an extraordinary expense. Please refer to Section 9 for further details on fees and other costs in relation to the Trust.

## Relevant jurisdictions

The Responsible Entity, the Investment Manager, the Custodian and Administrator, and PricewaterhouseCoopers conduct their business operations partially or entirely in Australia and are subject to the jurisdiction of Australian laws.

The Delegated Investment Manager is headquartered in the United States and BNPP AMUK is headquartered in the United Kingdom.

## Specific risks associated with investment structure

Further details of the specific risks associated with the Trust's investment strategy are covered in more detail in Section 6, under the heading 'Managing risk'.

## 5.4 Valuation, location and custody of assets

Equity Trustees has appointed BNP Paribas Securities Services as Custodian and Administrator of the Trust. As Custodian and Administrator, BNP Paribas Securities Services has overall responsibility for custody of the assets of the Trust, although it may appoint sub-custodians from time to time some of which may also be members of the BNP Paribas Group.

BNP Paribas Securities Services has a pricing policy in place with specific provisions for fund accounting which incorporates valuation reporting, investment accounting, taxation, unit pricing, financial reporting, performance measurement and post trade compliance.

The value of a unit is generally determined every Business Day and is determined on the basis of the Net Asset Value of the Trust. The Net Asset Value is calculated by deducting from the gross value of the Trust's assets the value of the liabilities of the Trust.

Generally, investments will be valued at the next available valuation day but other valuation methods and policies may be applied by BNP Paribas Securities Services in consultation with Equity Trustees if appropriate or if otherwise required by law or applicable accounting standards.

Units are issued at the prevailing Application Price. The Application Price of a unit in the Trust is based on the Net Asset Value divided by the number of units on issue in the Trust. The Responsible Entity can also make an allowance for transaction costs required for buying investments when an investor acquires units; this is known as the Buy Spread. As at the date of this PDS the Buy Spread is nil.

Units in the Trust are withdrawn at the Withdrawal Price. The Withdrawal Price of a unit in the Trust is based on the Net Asset Value of the Trust divided by the number of units on issue. The Responsible Entity can also make an allowance for the transaction costs required for selling investments to satisfy a withdrawal request which is known as the Sell Spread. As at the date of this PDS the Sell Spread is 1.00%.

As the Trust's investments can change at any time, and can be sourced from an unconstrained universe, the geographic location of the material assets of the Trust can be anywhere in the world.

It is the Responsible Entity's policy to keep custody of the Trust's assets in Australia with an Australian based custodian.

## 5.5 Liquidity

The Trust predominantly invests in highly liquid assets and withdrawal requests in respect of the Trust can be made daily. Payment is generally within 3 Business Days of acceptance of a Redemption Request Form.

The Responsible Entity expects that the Trust will generally be liquid for the purposes of the Corporations Act. The Responsible Entity expects that at least 80% of the assets of the Trust will be able to be realised, at the value ascribed to those assets in calculating the Net Asset Value ("NAV"), within 10 days.

However refer to Section 7 for further explanation of withdrawal procedures where the Trust is not liquid.

## 5.6 Leverage

### Use of Leverage

The Trust may employ Leverage through the use of Derivatives. Derivatives are used for investment and hedging purposes and Leverage may be generated when only a small initial margin is required to establish a position.

There are no specific restrictions on the use of Derivatives.

### Sources of Leverage

Leverage is generated through the use of Derivatives. These include but are not limited to: interest rate futures and interest rate swaps; inflation swaps; credit default swaps (CDS); credit default swap tradable indices (CDX); to be announced mortgage-backed securities (TBAs); commercial mortgage-backed security tradable indices (CMBX); swaptions; equity index futures; and options or baskets of options on any of the above. Currency forwards and non-deliverable forwards (NDFs) may also be considered to be sources of Leverage. These contracts will be traded on regulated exchanges, or using regulated counterparties in the case of OTC Derivatives and currency forwards and NDFs.

### Use of assets as collateral

Certain Derivatives entered into by the Trust may require the Trust to post collateral with the relevant counterparty. Any collateral posted is held in the name of the counterparty. In the event of a counterparty's insolvency, the Trust may be an unsecured creditor of that counterparty in relation to the posted collateral.

### Maximum anticipated and allowed level of Leverage

The Trust has a gross Leverage limit of 800%. Gross Leverage is defined as the sum of the absolute value of the Derivatives' notional values divided by the Trust's Net Asset Value.

However, the policy of the Delegated Investment Manager is to limit net Leverage to two times the Trust's Net Asset Value. The Delegated Investment Manager shall not seek to initiate new Derivative positions that would cause the Trust's net Leverage to exceed two times the Trust's Net Asset Value. The Trust may exceed the net Leverage limit from time to time but the policy of the Delegated Investment Manager is to correct such deviations in a timely manner.

This net Leverage level shall be calculated based on the net exposure generated by the underlying positions held directly by the Trust as defined below:

- Net Leverage which is defined as Assets including Derivatives Effect shall not exceed 2 times the Internal Net Asset Value (NAV).
- $\text{Net Leverage} = (\text{Assets} + \text{Derivatives Effect}) / \text{Internal NAV} \leq 2x$

### Where:

For clarification, all valuations for this calculation are based on BNPP AMUS's valuation policy.

**Assets:** the Net Asset Value of investments, excluding cash and cash equivalents and excluding Derivatives. Derivatives treatment is described below.

**Derivatives Effect:** This includes the market value of options, swaps, credit default swaps, and foreign exchange forwards. Please note that Derivatives will be valued as the sum of net Long and Short Derivatives Positions.

**Internal NAV:** The Net Asset Value of the Trust.

**Cash and Cash Equivalents:** Instruments with less than 1 year in Duration.



The following table shows the potential impact of the level of net Leverage in the Trust on investment return, all other factors being equal.

Scenario	Where the investment performance p.a. is:	Minimum Leverage		Maximum Leverage	
		Leverage % pa.	Impact on Investment of \$100,000	Net Leverage (2 x NAV)	Impact on Investment of \$100,000
1.	-10%	0%	-\$10,000	-20%	-\$20,000
2.	0%	0%	\$0	0%	\$0
3.	+10%	0%	+\$10,000	+20%	+\$20,000

### Use of Leverage by the Trust

The Responsible Entity does not have a specific policy in relation to the Leverage used by the Trust.

## 5.7 Derivatives

### Purpose and rationale

Derivatives are used to implement active management strategies and for hedging purposes.

Derivatives are used:

- to reduce investment risks particularly in relation to interest rates, foreign exchange rates, credit risk and stock related investment risk in connection with convertible instruments;
- to improve the returns of the Trust and the liquidity of the investment portfolio;
- to reduce the transaction costs incurred in implementing the investment strategy; and
- to seek to effectively and efficiently diversify and create active exposure.

### Types of Derivatives

Derivatives used by the Trust may be exchange traded or over-the-counter ("OTC").

The types of Derivatives that the Trust may use include:

- futures and forwards contracts (including foreign exchange contracts and interest and index futures);
- swap contracts (including interest rate swaps, credit default swaps for single issuers, credit default swaps on indices, currency swaps, inflation swaps and total return swaps);
- options (including options on single issues, options on interest futures, options on interest swaps, interest caps and interest floors, options on credit-default-swap-indices, options on currencies, options on single stocks, options on stock index futures, options on the implied volatility of stock indices, and asset swapped convertible options); and
- structured products.

### Criteria for engaging counterparties

The Delegated Investment Manager chooses counterparties it engages with based on the following criteria:

- Creditworthiness should be considered as appropriate by looking at the likelihood of settlement, financial statements, credit ratings (e.g. from external rating agencies), implied market indicators (e.g. equity, credit, options, credit spreads, credit default swap (CDS) spreads, etc.), negative news, and other available information. Where CDS spreads are available, these could be considered a sufficient real-time reflection of market sentiment regarding all available information regarding a given counterparty.
- Operational effectiveness should be considered as appropriate during the due diligence process.

- Where appropriate, approval should consider whether the potential counterparty is compliant with and maintains compliance with the Delegated Investment Manager's best execution policy.
- Where appropriate, approval may be contingent upon certain counterparty risk mitigation criteria, including limits, netting agreements and collateral management.

### Key risks

The key risk to the Trust associated with the collateral requirements of Derivative counterparties is that, where assets of the Trust are held by the counterparty in the counterparty's name, the Trust is a creditor of the counterparty and is exposed to the risk that the counterparty may become insolvent.

### 5.8 Short selling

The Trust may engage in Short selling. The objective of engaging in Short selling is to profit from a decrease in the value of the security either in absolute terms or relative to another security.

The Trust may also enter into a Derivative to effect a "Synthetic" Short Position. Derivatives are discussed in Section 5.7. Refer to Section 6 for risks associated with Short selling and how those risks will be managed.

### 5.9 Withdrawals

All withdrawal requests must be received on a Redemption Request Form before 2pm (Sydney time) on a Business Day for processing that day. Any withdrawal request received on or after 2pm (Sydney time) will be treated as having been received the following Business Day.

While the Trust is liquid, Equity Trustees will generally allow investors in the Trust to access their investment within 3 Business Days of acceptance of a Redemption Request Form by transferring the withdrawal proceeds to their nominated bank account. However, the Constitution allows Equity Trustees to make payments up to 30 days after acceptance of a Redemption Request Form, and this period can be extended at the discretion of Equity Trustees in accordance with the Constitution.

We reserve the right to fully withdraw your investment if your investment balance in the Trust falls below \$500,000 as a result of processing your withdrawal request.

Withdrawals from the Trust will not be funded using an external liquid facility provider.

The required notification under the law would be provided to investors if there is any material change to their withdrawal rights.

If you have invested indirectly in the Trust through an IDPS, 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.

The most significant risk factor or limitation that may affect the ability of investors to withdraw from the Trust is Liquidity risk - see Section 6 below.

Equity Trustees can deny a withdrawal request in certain circumstances, including where accepting the request would cause the Trust to cease to be liquid or where the Trust is not liquid (as defined in the Corporations Act). When the Trust 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. The Trust will be liquid if at least 80% of its assets are liquid assets (generally cash and marketable securities).

Please refer to Section 7 for more information.

### 5.10 Suggested investment timeframe

The minimum suggested investment timeframe is at least 3 to 5 years. The minimum suggested investment timeframe is a general guide only and does not take into account your individual circumstances. Investors should seek professional advice to determine, in their particular circumstances, the appropriate investment period for holding units in the Trust.

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

The Trust will not invest in securities that are excluded by BNP Paribas Asset Management's prevailing Responsible Investment or Sustainability policy. This policy adheres to sector specific environmental, social and ethical standards which have to be met by companies in order for investment by the Trust. These criteria are based on sector best practice and relevant international conventions and regulations. For the avoidance of doubt since March 2018, this policy also includes a screen for tobacco related securities.

### 5.12 Trust performance

The performance of the Trust can be volatile over the short term. The success of the Trust's investment strategy will depend on market conditions and may be influenced by specific risks set out in Section 6. Up to date information on the performance of the Trust is available by calling BNP Paribas Asset Management's Client Services on 1800 267 726 (in Australia) or +612 9619 6041 or by visiting BNP Paribas Asset Management's website at [www.bnpparibas-am.com.au](http://www.bnpparibas-am.com.au).

Past performance is not indicative of future performance.

The Responsible Entity, Investment Manager and Delegated Investment Manager do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Trust.

### 5.13 Significant benefits of investing in the Trust

Investing in the Trust offers investors a range of benefits including:

- **Capital preservation:** seeks to provide downside risk control, aiming to provide positive investment returns across a range of market conditions.
- **Diversification:** Alpha via multiple strategies in multiple sectors from multiple teams, uncorrelated to interest rate changes.
- **Optimisation risk budgeting approach:** Minimising tail risk while targeting a volatility budget. Strong focus and emphasis on measuring, monitoring and managing risk.
- **Expertise:** Blending qualitative analysis and quantitative models to yield results.
- **Regular reporting:** monthly investment reports, quarterly distribution statements, annual reports and other reporting to keep investors up to date on their investment.

## 6. Managing risk

Investment in any fund carries risks, including volatility of returns. Volatility refers to the degree to which returns may fluctuate around their long term average. Each Asset Class, whether it is cash, fixed interest, property, Australian or international shares, has associated investment risks and the return achieved by each will vary accordingly.

You should be aware that an investment in the Trust contains risk and neither the performance of the Trust nor the security of your investment is guaranteed by Equity Trustees. Investments in the Trust and the underlying investments in which it invests are generally subject to risks, including possible delays in the payment of withdrawal proceeds, and loss of income and/or capital. The following discussion of certain risk factors does not purport to be an exhaustive list or a complete explanation of all the risks involved in an investment in the Trust or the underlying investments. We recommend you talk to an adviser about the risks involved in investing in the Trust and how it might impact on your individual financial circumstances.

### Key Risks

#### Active management

The Delegated Investment Manager actively seeks attractive investments to invest in, rather than investing in a pre-determined basket of investments, such as a basket of securities that reflects an index. Consequently, the Trust may underperform the market generally.

#### Borrowing risk

The Trust may use borrowings for the purpose of making investments. The use of borrowing creates special risks and may significantly increase the Trust's investment risk. Borrowing creates an opportunity for greater yield and total return but, at the same time, will increase the Trust's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of borrowings that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Trust to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the Trust may decrease more rapidly than would otherwise be the case.

#### Counterparty risk

Counterparty risk is the risk that any of the Responsible Entity's or the Investment Manager's or the Delegated Investment Manager's trading counterparties, including any Derivative counterparties, custodians, or any issuer or guarantor of securities held by the Trust, becomes insolvent or cannot otherwise meet their obligations to settle or repay money.

The Delegated Investment Manager will seek to minimise this risk by entering into transactions with counterparties which are, in their opinion, established and reputable. In addition, the Delegated Investment Manager will look to mitigate counterparty risk through the use of collateral for over-the-counter Derivatives.

#### Credit risk

There may be credit risk for the Trust when dealing with parties in which it invests. Credit risk can lead to unanticipated losses where counterparties are unable or unwilling to fulfil their contractual obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer of an investment.

This is also the risk that may derive from the rating downgrade of a bond issuer to which the Trust is exposed, which may therefore cause the value of the investments to go down. The Trust may invest in high-yield bonds which presents a higher than average risk due to the greater fluctuation of their currency or the quality of the issuer.

#### Currency management risk

As the Trust trades currencies, volatility in foreign exchange markets may adversely affect the Trust's performance. To minimise the impact of currency movements on the Trust's returns, the Delegated Investment Manager may use Derivatives (foreign currency exchange forwards) to limit the effect of currency movements between the Australian dollar and other currencies.

#### Derivatives risk

The Trust may use Derivative instruments and techniques for the purpose of sound portfolio management and/or in order to improve diversification and/or to efficiently implement directional views on markets and securities and/or to leverage the Trust. The Trust will bear the risks and costs associated with such investments.

Fluctuations in the price of Derivatives reflect movements in the underlying assets, reference rate or index to which the Derivatives relate. The use of Derivative positions to hedge the risk of physical securities will involve 'basis risk', which refers to the possibility that Derivative positions may not move perfectly in line with the underlying asset, reference rate or index to which the Derivatives relate. As a consequence, the Derivative positions cannot be expected to perfectly hedge the risk of the physical security.

Derivatives are also used as substitutes for physical assets. In doing so there is the risk that a Derivative may not be a perfect substitute for the underlying asset it aims to replace, and may not mirror its movements completely. Other risks associated with Derivatives may include:

- loss of value because of a sudden price move or because of the passage of time;
- potential illiquidity of the Derivative;
- the Trust being unable to meet payment obligations as they arise;
- the counterparty to any Derivative contract not being able to meet its obligations under the contract; and
- significant volatility in prices.

Note that the Responsible Entity, the Investment Manager or the Delegated Investment Manager cannot guarantee that the Derivatives strategy implemented in respect of the Trust will be successful.

#### Emerging Markets risk

The Trust may also hold investments in Emerging Markets. It may therefore show greater than average volatility due to a high degree of concentration, greater uncertainty because less information is available, less liquidity, or greater sensitivity to changes in market conditions (social, political and economic conditions). In addition, some Emerging Markets offer less security than the majority of international developed markets. For this reason, services for portfolio transactions, liquidation and custody on behalf of funds invested in Emerging Markets may carry greater risk. Additionally, issuers in Emerging Markets may experience a greater degree of change in earnings and business prospects than would companies in developed markets.



## **Trust risk**

As with all managed funds, there are risks particular to the Trust including: that the Trust could be terminated, the fees and expenses could change, Equity Trustees is replaced as Responsible Entity or BNP Paribas Asset Management is replaced as Investment Manager, or BNPP AMUS is replaced as Delegated Investment Manager. There is also risk that investing in the Trust may give different results than investing directly in the assets of the Trust because of income or capital gains accrued in the Trust and the consequences of withdrawals by other investors.

## **Inflation risk**

Inflation may, over time, reduce the value of your investments in real terms.

## **Interest rate risk**

Changes in official interest rates can directly and indirectly impact (negatively or positively) on investment returns. Interest rate based strategies in this Trust can rise or fall, in line with yield curve fluctuations. In general, the fixed rate debt security valuations increase when interest rates fall and decrease when interest rates rise.

## **Investment specific risk**

There may be instances where an investment in which the Trust invests will fall in price because of investment specific factors (for example, where a company's major product is subject to a product recall). The value of investments can vary because of changes to management, product distribution, investor confidence, internal operations or the company's business environment.

## **Investment selection risk**

The Delegated Investment Manager uses an investment selection process to identify investment opportunities which it believes is most likely to outperform the market. There is a risk that these investments will not perform in line with the Delegated Investment Manager's expectations however this risk is mitigated to some extent by the knowledge, experience and processes of the Delegated Investment Manager.

## **Issuer non-diversification risk**

Focusing investments in a small number of issuers, industries or currencies increases risk. Trusts that invest in a relatively small number of issuers are more susceptible to risks associated with a single economic, political or regulatory occurrence than more diversified funds might be. Some of those issuers also may present substantial credit or other risks.

## **Key individual risk**

The success of the Trust depends upon the ability of the key individuals within the Delegated Investment Manager to develop and implement investment strategies that achieve the Trust's investment objectives. If they were to become unable to participate in the management of the Trust, the consequences to the Trust may be material and adverse and could lead to the premature termination of the Trust.

## **Legal risk**

The Trust may be affected by the actions of governments and regulatory bodies. Legislation could be imposed retrospectively or may be issued in the form of internal regulations of which the public may not be aware. Legislation (including legislation relating to tax) or regulation may be introduced which inhibits the Trust from pursuing its strategy or which renders an existing strategy less profitable than anticipated. Such actions may take any form, for example nationalisation of any institution or restrictions on investment strategies in any given market sector (for example restrictions on Short selling in the financial sector)

or changing requirements (for example increased disclosure to market) and imposed without prior warning by any regulator. This risk is generally higher in developing countries.

## **Liquidity risk**

There may be times when assets of the Trust may not be readily saleable (for example, in falling market conditions).

If this occurs and it results in the Trust becoming illiquid, withdrawals of units from the Trust must be processed only in accordance with a withdrawal offer under the Corporations Act. Equity Trustees is under no obligation to make a withdrawal offer to investors in the Trust.

Neither the Responsible Entity, the Investment Manager, the Delegated Investment Manager or any other member companies of BNP Paribas SA guarantees the liquidity of the Trust's investment.

## **Market risk**

The value of investments may fluctuate significantly over short periods of time. These fluctuations can be caused by changes in legal and economic policy, political events, technology failure, changes in interest rates, economic cycles, investor sentiment and social climate which can all directly or indirectly create an environment that may influence (negatively or positively) the value of your investments in the Trust. In addition, a downwards move in the general level of the equity market and the bond market can have a negative influence on the performance of the Trust.

## **Operational risk**

Operational risk addresses the risk of trading and back office or administration issues that may result in a loss to the Trust. This could be the result of oversight, ineffective security processing procedures, computer system problems or human error. The Responsible Entity, the Investment Manager and the Delegated Investment Manager have instituted certain practices and processes within their respective operations and business administrations designed to wherever possible mitigate the operational risk consequences that arise.

## **Political risk**

There is high political risk due to the fragile nature of some of the markets to which the Trust may have exposure. Political instability and/or political disturbances are more common in developing countries than in developed nations. There can be higher economic risk from policies implemented in developing nations as governments may be less accountable than in developed nations. Examples of severe currency depreciation have occurred in some nations as a result of political issues.

## **Sector selection risk**

The Delegated Investment Manager may make poor investment decisions resulting in sub-standard returns (for example, where the Delegated Investment Manager gains exposure to a sector which significantly underperforms relative to other sectors). This risk is mitigated to some extent by the knowledge and experience of the Delegated Investment Manager.

## **Settlement risk**

Settlement and custody systems may not be as well developed in some Emerging Markets as they are in more developed markets, leading to delays. There is also the possibility that more general delays could occur from time to time, or deadlines missed, as a result of administrative errors, with the result that cash or securities could be disadvantaged. In addition, certain transactions may require payment in advance of delivery of the underlying securities.

## Short selling risk

The Trust may use Short selling strategies. Generally, Short selling involves borrowing the security from another party to make the sale. Short sales can involve much greater risk than buying a security, as losses on a security are restricted at most to the amount invested, whereas losses on a Short Position can be much greater than the purchased value of the security. Whilst Short selling can reduce risk since they may offset the risk of loss with Long Positions, it is also possible for Long Positions and Short Positions to both lose money at the same time. This will be mitigated through the use of proprietary risk monitoring systems.

## 7. Investing and withdrawing

### IDPS investors

The Responsible Entity has authorised the use of this PDS as disclosure to investors or prospective clients of IDPS and IDPS-like schemes. These are sometimes known as 'wraps' or 'platforms'. They provide investors with a menu of investment opportunities.

The Responsible Entity, the Investment Manager or the Delegated Investment Manager are not responsible for the operation of any IDPS.

Investors who invest through an IDPS may rely on the information in this PDS to give a direction to the operator of the IDPS to invest in the Trust on their behalf. The Responsible Entity agrees to provide notice to the operators of the IDPS promptly of any supplementary or replacement PDS that is issued under the Corporations Act.

Indirect Investors should note that they are directing the IDPS Operator to arrange for their money to be invested in the Trust on their behalf. Importantly, investors who invest in the Trust through an IDPS do not become investors of the Trust and do not have the rights of investors. In those instances the investor of the Trust is the operator of the IDPS. The investor's rights set out in this PDS may only be exercised by the operator of the IDPS on behalf of the investor for whom they have acquired the units. The IDPS Operator can exercise or decline to exercise the rights of an Indirect Investor on their behalf according to the arrangement governing the IDPS.

Investors should read this PDS in conjunction with the offer documents issued by the IDPS Operator. Investors complete the application forms for their IDPS or IDPS-like scheme and receive reports concerning the Trust from their IDPS Operator. Enquiries should be directed to the IDPS Operator. Alternatively, please ask your adviser if you have any questions about investing in the Trust through an IDPS.

### Initial applications

The offer in this PDS is only available to Australian Wholesale Clients and New Zealand Wholesale Investors.

To invest, please complete the Initial Application Form accompanying this PDS and send it with the relevant certified identification documentation as outlined in the Initial Application Form to:

BNP Paribas Asset Management  
GPO Box 804  
Melbourne VIC 3001.

Please transfer the nominated funds via Electronic Funds Transfer ('EFT') as per the instructions in the Initial Application Form.

Please note that cash cannot be accepted. Investors investing through an IDPS should use the application form attached to their IDPS Guide or any other application document provided by the IDPS provider (and not the Initial Application Form attached to this PDS) to invest in the Trust.

At the date of this PDS, the minimum initial investment amount is \$500,000. The Responsible Entity may in its discretion accept an initial investment amount lower than \$500,000 where cashflows will ensure the minimum balance is equal to or greater than \$500,000 in the near term. If you are an Indirect Investor you should refer to the IDPS Guide or IDPS Operator for the minimum initial investment amount.

### Additional applications

For additional applications, an Additional Investment Form can be faxed or emailed to;

BNP Paribas Asset Management  
Fax: +612 8244 1918  
Email: bnppam.transactions@onevue.com.au  
Alternatively, the Additional Investment Form can be posted to  
BNP Paribas Asset Management  
GPO Box 804  
Melbourne VIC 3001.

The same terms apply as for initial applications.

There is no minimum additional investment amount applicable to invest directly in the Trust.

### Terms and conditions for applications

If we receive the correctly completed Initial Application Form/Additional Investment Form, identification documents (if applicable) and cleared application money:

- before 2 pm (Sydney time) on a Business Day, the application will generally be processed on that Business Day. This means you will receive the Application Price calculated for that Business Day, and that price will be the relevant price for income accrual purposes; and
- on or after 2 pm (Sydney time) on a Business Day, the application will generally be processed on the next Business Day. This means you will receive the Application Price calculated for the next Business Day, and that price will be the relevant price for income accrual purposes.

If you are an Indirect Investor, you need to contact your IDPS Operator regarding the cut off times for pricing purposes.

We will only start processing an application if:

- we consider that you have correctly completed the Initial Application Form/Additional Investment Form;
- you have provided us with the relevant identification documents; and
- we have received the application money (in cleared funds) stated in your Initial Application Form. The time it takes for application money to clear varies depending on how you transfer the money and your bank (it may take up to four Business Days).

We reserve the right to accept or reject applications in whole or in part at our discretion and delay processing of applications where we believe this to be in the best interest of all the investors of the Trust, without giving any reason.

Equity Trustees reserves the right to refuse any application without giving a reason. If for any reason Equity Trustees refuses or is unable to process your application to invest in the Trust, Equity Trustees will return your application money to you, subject to regulatory requirements, less any taxes or bank fees in connection with the application. You will not be entitled to any interest on your application money in this circumstance.

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 applications made without providing all the information and supporting identification documentation requested on the Initial Application Form or otherwise required under the anti-money laundering laws cannot be processed until all the necessary information has been provided. As a result delays in processing your application may occur.

Applicants must be 18 years of age or over.

### Cooling off period

No cooling off period applies to the offer made in this PDS as only Australian Wholesale Clients and New Zealand Wholesale Investors, may make an investment in the Trust.

The right to cool off may also not apply if you are investing indirectly in the Trust, for example, through an IDPS, even if you are a Retail Client (as defined in the Corporations Act). This is because you do not acquire the rights of an investor in the Trust. Rather, you will direct the IDPS Operator to arrange for your monies to be invested in the Trust on your behalf. The terms and conditions of the IDPS or similar type document will govern your investment in relation to the Trust and any rights you may have in this regard.

## Making a withdrawal

Investors in the Trust can withdraw their investment by sending a Redemption Request Form by fax or email to:

BNP Paribas Asset Management

Fax: +612 8244 1918

Email: bnppam.transactions@onevue.com.au

Alternatively, by post to BNP Paribas Asset Management, GPO Box 804, Melbourne VIC 3001

Once we receive your Redemption Request Form, 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).

While the Trust is liquid, Equity Trustees will generally allow investors in the Trust to access their investment within 3 Business Days of acceptance of a Redemption Request Form by transferring the withdrawal proceeds to your nominated bank account. However, the Constitution allows Equity Trustees to make payments up to 30 days after acceptance of a Redemption Request Form, and this period can be extended at the discretion of Equity Trustees in accordance with the Constitution.

The price at which units are withdrawn is determined in accordance with the Constitution. The Withdrawal Price on a Business Day, is in general terms, equal to the Net Asset Value of the Trust, divided by the number of units on issue and adjusted for transaction costs ("Sell Spread"). The Withdrawal Price will vary as the market value of assets in the Trust rises or falls.

The minimum balance of an investment in the Trust is \$500,000. The minimum withdrawal amount in the Trust is \$50. Where a withdrawal request takes the balance below the minimum level of \$500,000, or your investment value falls below the minimum balance, the Responsible Entity may upon 30 days' notice require you to withdraw your investment without the need for a withdrawal request.

Equity Trustees will refuse to comply with any withdrawal request if the sender does not satisfactorily identify themselves as the investor. Withdrawals will only be paid to the investor. If you have invested indirectly in the Trust through an IDPS, you will need to provide your withdrawal request directly to your IDPS Operator. You will need to contact the relevant IDPS Operator regarding their withdrawal request cut off times for pricing purposes. The time to process a withdrawal request will depend on the particular IDPS Operator. You should refer to the IDPS Guide for the minimum withdrawal amount. Refer to the 'Terms and conditions for withdrawals' below.

## Access to funds

Except where the Trust is not liquid (see below), the Responsible Entity will generally allow investors to access their funds within 3 Business Days of acceptance of a Redemption Request Form for the relevant amount.

However, the Constitution of the Trust allows the Responsible Entity to make payment up to 30 days after acceptance of a Redemption Request Form, and this period can be extended at the discretion of Equity Trustees in accordance with the Constitution.

The Responsible Entity reserves the right to postpone the processing and payment of withdrawals for the Trust subject to the above extensions of time.

Where the Trust is not liquid (as defined in the Corporations Act) an investor does not have a right to withdraw from the Trust and can only withdraw where the Responsible Entity makes a withdrawal offer to investors in accordance with the Corporations Act. The Responsible Entity is not obliged to make such offers. The Trust will cease to be liquid if less than 80% of its assets are liquid assets. Broadly, liquid assets are money in an account or on deposit with a financial institution, bank accepted bills, marketable securities, other prescribed property and other assets that the Responsible Entity reasonably expects can be realised for their market value within the period specified in the Constitution for satisfying withdrawal requests while the Trust is liquid.

## Terms and conditions for withdrawals

The minimum withdrawal amount in the Trust is \$50. Where a withdrawal request takes the balance below the minimum level of \$500,000, the Responsible Entity may require you to withdraw the remaining balance of your investment. Equity Trustees has the right to change the minimum holding amount.

The Responsible Entity can deny a withdrawal request in whole or in part. Equity Trustees will refuse to comply with any withdrawal request if the requesting party does not satisfactorily identify themselves as the investor. Withdrawal payments will not be made to third parties (including authorised nominees), and will only be paid directly to the investor's bank account held in the name of the investor at a branch of an Australian domiciled bank. By lodging a facsimile or email withdrawal request the investor releases, discharges and agrees to indemnify Equity Trustees from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from any facsimile or email withdrawal request.

You also agree that any payment made in accordance with the fax or email instructions shall be in complete satisfaction of the obligations of Equity Trustees, notwithstanding any fact or circumstance including that the payment was made without your knowledge or authority.

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

- 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.
- We may contact you to check your details before processing your Redemption Request Form. 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.
- If we cannot satisfactorily identify you as the withdrawing investor, we may refuse or 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, fax or email, 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 all the terms and conditions for withdrawals set out in this PDS, you and any person claiming through or under you, shall have no claim against Equity Trustees, BNP Paribas Asset Management, BNPP

AMUS or any member companies of BNP Paribas SA in relation to the payment. Investors will be notified of any material change to their withdrawal rights (such as any suspension of their withdrawal rights) in writing.

## Distributions

An income distribution comprises the investor's share of any net income (including taxable gains) earned by the Trust. An investor's share of any net income is generally based on the number of units held by the investor at the end of the distribution period.

In some circumstances, an investor may receive an income distribution when they have made a withdrawal from the Trust. The Responsible Entity may determine that any withdrawal proceeds may be taken to include a component of distributable income.

Distribution calculations are done quarterly, calculated as at the last Business Day of quarter end. Distributions will be paid as soon as possible after quarter end.

The investor can have their income distribution reinvested or directly credited to their nominated bank account. If the investor does not make an election, their income distribution will automatically be 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.

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

There is no guarantee that any income will be available for distribution at the end of a distribution period.

New Zealand Wholesale Investors can have their distribution reinvested or directly credited provided an AUD Australian domiciled bank account is provided (refer to the BNP Paribas Absolute Return Fixed Income Trust New Zealand Wholesale Investor Fact Sheet for further information).

## Valuation of the Trust

The value of the investments of the Trust is generally determined every Business Day. The value of a unit is determined by the Net Asset Value (NAV). This is calculated by deducting from the gross value of the Trust assets the value of the liabilities of the Trust (not including any investor liability).

Generally, investments will be valued on each Business Day at their market value but other valuation methods and policies may be applied by Equity Trustees if appropriate or if otherwise required by law or applicable accounting standards.

The Application Price of a unit in the Trust is based on the NAV divided by the number of units on issue. The Responsible Entity can also make an allowance for transaction costs required for buying investments when an investor acquires units; this is known as the Buy Spread. As at the date of this PDS there is no Buy Spread for the Trust.

The Withdrawal Price of a unit in the Trust is based on the NAV divided by the number of units on issue. The Responsible Entity can also make an allowance for transaction costs required for selling investments when an investor makes a withdrawal; this is known as the Sell Spread. As at the date of this PDS the Sell Spread for the Trust is 1.00%.

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.

Refer to Section 9 for additional information.

## Joint account operation

For joint accounts, each signatory must sign withdrawal requests. Please ensure all signatories sign the declaration in the Initial Application Form. Joint accounts will be held as joint tenants.

## Appointment of authorised nominee to operate account

Investors may elect to appoint an authorised nominee to operate their account. The relevant sections on the Initial Application Form need to be completed, including the name and signature of the authorised nominee, the signature of the investor and the date. Only investors can appoint authorised nominees. If you appoint an authorised nominee we suggest that you ensure that:

- they cannot appoint another nominee; and
- the appointment lasts until cancelled by you in writing or by the Responsible Entity.

If the Responsible Entity determines that the circumstances require, the Responsible Entity may cancel an appointment by giving the investor 14 days' notice in writing. If an appointment is cancelled, the Responsible Entity will not be obliged to act on the instructions of the authorised nominee. If the instructions are varied, the Responsible Entity will act only in accordance with the varied instructions. By completing and lodging the relevant sections on authorised nominees on the Initial Application Form you release, discharge and agree to indemnify the Responsible Entity from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from the Responsible Entity acting on the instructions of your authorised nominee.

You also agree that any instructions of your authorised nominee to the Responsible Entity, which are followed by the Responsible Entity, shall be a complete satisfaction of the obligations of the Responsible Entity, notwithstanding any fact or circumstance, including that the instructions were made without your knowledge or authority. You agree that if the authorised nominee's instructions are followed by the Responsible Entity, you and any person claiming through or under you shall have no claim against the Responsible Entity in relation to the instructions.

An authorised nominee can, among other things:

- apply for additional units;
- request that distribution instructions be altered;
- change bank account details;
- withdraw all or part of your investment; and
- enquire as to the status of your investment and obtain copies of statements.

Withdrawal payments will not be made to third parties. If a company is appointed as an authorised nominee, the powers will extend to any director and authorised officer of the company. If a partnership, the powers will extend to all partners.

## Electronic instructions

If an investor instructs Equity Trustees by electronic means, such as facsimile, email or internet the investor releases Equity Trustees from and indemnifies Equity Trustees against, all losses and liabilities arising from any payment or action Equity Trustees makes based on any instruction (even if not genuine) that Equity Trustees receives by an electronic communication bearing the investor's account number and which appears to indicate to Equity Trustees that the communication has been provided by the investor eg. a signature which is apparently the investor's and that of an authorised signatory for the investment or an email address which is apparently the investor's. The investor

also agrees that neither they nor anyone claiming through them has any claim against Equity Trustees or the Trust in relation to such payments or actions. There is a risk that a fraudulent withdrawal request can be made by someone who has access to

an investor's account number and a copy of their signature or email address. Please take care.



## 8. Keeping track of your investment

### Enquiries

For any enquiries regarding your investment or the management of the Trust please contact BNP Paribas Asset Management.

Attention: Client Services  
BNP Paribas Asset Management  
GPO Box 269, Sydney, NSW 2001  
Phone: 1800 267 726 (Australia) or +612 9619 6041  
Fax: +612 9006 9051  
Email: AMAU.ClientService@bnpparibas.com  
Web: www.bnpparibas-am.com.au

### 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

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

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

Contact details are:  
Online: www.afca.org.au  
Phone: 1800 931 678  
Email: 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.

### Reports

We will make the following statements available to all investors;

- A transaction confirmation statement, showing a change in your unit holding (provided when a transaction occurs or on request);
- The Trust's annual audited accounts for each period ended 30 June;
- Annual distribution, tax and confirmation of holdings statements for each period ended 30 June;
- Annual report detailing each of the following:
  - the actual allocation to each asset type;

- the liquidity profile of the portfolio assets as at the end of the period;
- the maturity profile of the liabilities as at the end of the period;
- the Derivative counterparties engaged (including capital protection providers); and
- the key service providers if they have changed since the latest report given to investors, including any change in their related party status.

The latest annual report will be available online from [www.eqt.com.au/insto](http://www.eqt.com.au/insto).

The following information is available on BNP Paribas Asset Management's website and/or is disclosed monthly:

- the current total Net Asset Value of the Trust and the withdrawal value of a unit in each class of units as at the date the Net Asset Value was calculated;
- the Leverage ratio (including Leverage embedded in the assets of the Trust, other than listed equities and bonds) as at the end of the period;
- the monthly or annual investment returns over at least a five-year period;
- the key service providers if they have changed since the last report given to investors, including any change in their related party status; and
- for each of the following matters since the last report on those matters:
  - the net return on the Trust's assets after fees, costs and taxes;
  - any material change in the Trust's risk profile;
  - any material change in the Trust's strategy; and
  - any change in the individuals playing a key role in investment decisions for the Trust.

If and when the Trust has 100 or more direct investors it will be classified by the Corporations Act as a 'disclosing entity'. As a disclosing entity the Trust will be subject to regular reporting and disclosure obligations. Investors would have a right to obtain a copy, free of charge, of any of the following documents:

- the most recent annual financial report;
- any half yearly financial report lodged with ASIC after that financial report but before the date of this PDS; and
- any continuous disclosure notices lodged with ASIC after that financial report but before the date of this PDS.

You can contact BNP Paribas Asset Management's Client Services on 1800 267 726 (Australia) or +612 9619 6041 for updated information on performance, unit prices, Trust size and other general information about the Trust. If you are an Indirect Investor, contact your IDPS Operator.

Equity Trustees will comply with its continuous disclosure obligations by lodging documents with ASIC.

## 9. Fees and other costs

The warning statement below is required by law to be displayed at the beginning of the 'Fees and other costs' section of product disclosure statements for managed investment products. The example given in the warning statement does not relate to any investments described within this PDS.

### DID YOU KNOW?

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

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

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

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

### TO FIND OUT MORE

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

The information in the following template 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. Information about taxation is set out in Section 10 of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment. For Indirect Investors, the fees listed in the 'Fees and other costs' section of this PDS are in addition to any other fees and charges charged by your IDPS Operator.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Fees when your money moves in or out of the Trust</b>		
<i>Establishment fee</i> The fee to open your investment	Nil	There is no establishment fee payable when you set up your investment in the Trust.
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	There is no contribution fee payable when you invest in the Trust.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	There is no withdrawal fee payable when you withdraw investments from the Trust.
<i>Exit fee</i> The fee to close your investment	Nil	There is no exit fee payable when you close your investment in the Trust.
<b>Management costs</b>		
The fees and costs for managing your investment	Management fees: 0.60% per annum of the NAV of the Trust (Based on a constant investment of \$500,000 the amount in dollars is \$3,000 per annum)* Indirect costs: 0.26% p.a. of the value of your units in the Trust**	The accrued management fees are paid in arrears by deduction from the Trust assets at the end of each month. These costs reduce the NAV of the Trust and are reflected in the unit price.

\* Management fees can be negotiated. See "Differential fees" below. Until further notice, the management fees are capped, except for extraordinary expenses. If the total management fees exceed the cap, BNP Paribas Asset Management will reimburse the amount of the excess costs to the Trust unless the excess is due to an extraordinary expense, such as a significant but properly recoverable legal expense, in which case the expense would be incurred by the Trust and reflected in the unit price of the Trust, and in that way borne by the investors in the Trust.

\*\* The indirect costs are calculated and incorporate estimated amounts with reference to the relevant costs incurred during financial year ended 30 June 2019. See "Indirect costs" below for more information.

### Additional Explanation of Fees and Costs

#### What do the management costs pay for?

Management costs are comprised of the management fee, indirect costs and recoverable expenses that an investor incurs by investing in the Trust rather than by investing directly in the underlying assets of the Trust.

In addition, management costs do not include transactional and operational costs (i.e. costs associated with investing the underlying assets, some of which may be recovered through Buy/Sell Spreads).

The management fees of 0.60% p.a. of the NAV of the Trust are payable to the Responsible Entity of the Trust for managing the assets and overseeing the operations of the Trust. The management fees are accrued daily and paid from the Trust



monthly in arrears and reflected in the unit price. As at the date of this PDS, ordinary expenses such as investment management fees, custodian fees (excluding transaction-based fees such as trading or settlement costs incurred by the custodian), administration and audit fees, and other ordinary expenses of operating the Trust are covered by the management fee.

The management costs shown above do not include extraordinary expenses (if they are incurred in future), such as litigation costs or the costs of convening investor meetings.

#### **Indirect costs**

Indirect costs include fees and management costs (if any) arising from underlying funds and a reasonable estimate of the cost of investing in over-the-counter derivatives to gain investment exposure to assets or implement the Trust's investment strategy. Indirect costs are reflected in the unit price of the Trust and borne by Investors, but they are not paid to the Responsible Entity or Investment Manager.

The estimated components of the Trust's indirect costs are based on the financial year ended 30 June 2019. Actual indirect costs for 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.

#### **Transactional and operational costs**

In managing the assets of the Trust, the Trust may incur transactional and operational costs such as brokerage, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold. This generally happens when the assets of the Trust 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 Trust.

The Buy/Sell Spread is a reasonable estimate of transaction costs that the Trust will incur when buying or selling assets of the Trust. 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 Trust as part of an application and the Sell Spread is left in the Trust as part of a withdrawal and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is nil upon entry and 1.00% upon exit. The dollar value of these costs based on an application or a withdrawal of \$500,000 is \$0 (application) and \$5,000 (withdrawal) for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion.

Transactional costs which are incurred other than in connection with applications and withdrawals arise through the day-to-day trading of the Trust's assets and are reflected in the Trust's unit

price. As these costs are factored into the NAV of the Trust and reflected in the unit price, they are an additional cost to the investor and are not a fee paid to the Responsible Entity. These costs can arise as a result of bid-offer spreads (the difference between an asset's bid/buy price and offer/ask price) being applied to securities traded by the Trust. Liquid securities generally have a lower bid-offer spread while less liquid assets have a higher bid-offer spread reflecting the compensation taken by market makers in providing liquidity for that asset.

For the financial year ended 30 June 2019, the total transaction costs for the Trust are estimated to be 0.34% of the NAV of the Trust, of which 0% of these transaction costs will be recouped via the Buy/Sell Spread, resulting in a net transactional cost to the Fund of 0.34% p.a. However, such costs for future years may differ.

#### **IDPS**

For Indirect Investors, the fees listed in the 'Fees and other costs' section of this PDS are in addition to any other fees and charges by your IDPS Operator.

#### **Can the fees change?**

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. Equity Trustees has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Trust and as such these expenses may increase or decrease accordingly. We will generally provide investors with at least 30 days' notice of any proposed change to the management costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Expense recoveries may change without notice, for example, when it is necessary to protect the interests of existing investors and if permitted by law.

#### **Payments to IDPS Operators**

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

#### **Differential fees**

The Responsible Entity or 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 or New Zealand Wholesale Investors.

#### **GST**

All fees and other costs quoted include GST less any reduced input tax credits.

## Managed investment products – Example of annual fees and costs for the Trust

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

Example – BNP Paribas Absolute Return Fixed Income Trust		
BALANCE OF \$500,000 WITH A CONTRIBUTION OF \$50,000 DURING THE YEAR		
Contribution Fees	Nil	For every additional \$50,000 you put in, you will be charged \$0
<b>Plus</b> Management costs <b>Comprising:</b>	0.86% p.a.	And, for every \$500,000 you have in the Trust you will be charged \$4,300 comprising:
Management fees:	0.60% p.a.	\$3,000
Indirect costs:	0.26% p.a.	\$1,300
<b>Equals</b> Cost of Trust		If you had an investment of \$500,000 at the beginning of the year and you put in an additional \$50,000 during that year, then you would be charged fees of: \$4,300* <b>What it costs you will depend on the fees you negotiate.</b>

This example assumes the \$50,000 contribution occurs at the end of the first year, therefore management costs are calculated using the \$500,000 balance only. Indirect costs are not a fee earned by or paid to the Responsible Entity or the Investment Manager.

\* 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.

**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.

## 10. Taxation

The following information summarises some of the Australian taxation issues you may wish to consider before making an investment in the Trust and assumes that you hold your investment in the Trust 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 Trust 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 Trust.

### **General**

The Trust is an Australian resident trust for Australian tax purposes. Therefore, the Trust 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 Trust (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 Trust and the Trust is not a public trading trust, the Trust should be treated as a flow-through trust for tax purposes. This means that investors should be taxed on their share of the Trust's net taxable income or the amount attributed to them, and the Trust should not be subject to Australian income tax.

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

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

The Trust 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 Trust attributes amounts of trust components of a particular character to investors on a fair and reasonable basis consistent with the operation of the Trust's Constitution, which includes provisions in relation to AMIT. Under the AMIT rules, the following will apply:

**Fair and reasonable attribution:** Each year, the Trust'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 Trust.

**Unders or overs adjustments:** Where the Trust'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 withdrawing 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 Trust 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 Trust 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 Trust 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 Trust 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 Trust 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 Trust 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 Trust 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 Trust 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 Trust. 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 Trust 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 Trust.

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

The Trust may be required to pay GST included in management and other fees, charges costs and expenses incurred by the Trust. However, to the extent permissible, the Responsible Entity will claim on behalf of the Trust 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 Trust 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 Trust, 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 Trust. 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 Trust attributed to them by Equity Trustees as the Responsible Entity of the Trust.

The tax consequences for investors in the Trust depends on the tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Trust 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 Trust (in the case of an AMIT).

An investor may receive their share of attributed tax components of the Trust or net income in respect of distributions made during the year or where they have made a large withdrawal from the Trust, 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 Trust 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 Trust 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 withdraws their units in the Trust, this may constitute a disposal for tax purposes depending on their specific circumstances.

Where an investor holds their units in the Trust 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 Trust 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 Trust, the Trust 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 Trust should seek advice on this issue.

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

##### *Tax on Income*

The Trust expects to derive income which may be subject to Australian withholding tax when attributed by Equity Trustees as the Responsible Entity of the Trust 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 Trust 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 Trust's investment profile, generally non-resident investors holding their units on capital account should not be subject to Australian capital gains tax on the disposal of units in the Trust 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 Trust 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.

## 11. Other important information

### Consents

BNP Paribas Asset Management has given and, at the date of this PDS, has not withdrawn, its written consent to be named in this PDS as the Investment Manager of the Trust; and to the inclusion of the statements made about it and the Trust in Sections 2, 3, 4, 5, 6, 7, 8 and 9 of this PDS in the form and context in which they appear. BNP Paribas Asset Management has not otherwise been involved in the preparation of this PDS and has not caused or otherwise authorised the issue of this PDS. BNP Paribas Asset Management and its affiliates, employees and officers do not accept any responsibility arising in any way for errors or omissions from this PDS, other than in relation to the statements for which they have provided their consent.

BNPP AMUS has given and, as of the date of this PDS, has not withdrawn, its written consent to be named in this PDS as the Delegated Investment Manager of the Trust; and to the inclusion of the statements made about it or the Trust which are attributed to it in Sections 3, 4, 5 and 6 of this PDS, in the form and context in which they appear. BNPP AMUS has not otherwise been involved in the preparation of this PDS and has not caused or otherwise authorised the issue of this PDS. BNPP AMUS and its affiliates, employees and officers do not accept any responsibility arising in any way for errors or omissions from this PDS, other than in relation to the statements for which it has provided its consent.

### The Custodian and Administrator

BNP Paribas Securities Services has been appointed as the Trust's Custodian and Administrator to perform certain administrative, accounting, registrar and transfer agency services for the Trust. BNP Paribas Securities Services has outsourced the unit registry function for this Trust to OneVue Fund Services Pty Limited ACN 107 333 308.

BNP Paribas Securities Services has not otherwise been involved in the preparation of this PDS and has not caused or otherwise authorised the issue of this PDS. BNP Paribas Securities Services and its employees and officers do not accept any responsibility arising in any way for errors or omissions from this PDS.

### Non-listing of units

The units of the Trust are not listed on any stock exchange and no application will be made to list the units of the Trust on any stock exchange.

### Termination of the Trust

The Responsible Entity may resolve at any time to terminate and liquidate the Trust (if it provides investors with notice) in accordance with the Constitution and the Corporations Act. Upon termination and after conversion of the assets of the Trust into cash and payment of, or provision for, all costs, expenses and liabilities (actual and anticipated), the net proceeds will be distributed pro-rata among all investors according to the aggregate of the Withdrawal Price for each of the units they hold in the Trust. The Trust may also be terminated earlier upon determination by extraordinary resolution of investors.

### Our legal relationship with you

Equity Trustees' responsibilities and obligations, as the responsible entity of the Trust, are governed by the Constitution, as well as the Corporations Act and general trust law. The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Equity Trustees, as the responsible entity of the Trust, and investors.

Equity Trustees may amend the Constitution if it considers that the amendment will not adversely affect investor's rights. Otherwise the Constitution may be amended by way of a special resolution of investors.

A copy of the Constitution is available, free of charge, on request from Equity Trustees.

### Compliance Plan

Equity Trustees has prepared and lodged a compliance plan for the Trust with ASIC. The compliance plan describes the procedures used by Equity Trustees to comply with the Corporations Act and the Constitution. Each year the compliance plan for the Trust is audited and the audit report is lodged with ASIC.

### 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 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 (such as records of any discretions which are outside the scope of, or inconsistent with, the unit pricing policy) will be made available to investors free of charge on request.

### Indemnity

Equity Trustees, as the responsible entity of the Trust, is indemnified out of the Trust against all liabilities incurred by it in performing or exercising any of its powers or duties in relation to the Trust. To the extent permitted by the Corporations Act, this indemnity includes any liability incurred as a result of any act or omission of a delegate or agent appointed by the Responsible Entity. Equity Trustees may retain and pay out any monies in its hands all sums necessary to affect such an indemnity.

### Privacy Statement

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 Trust, including the Investment Manager, Delegated 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).

## 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 Trust.

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.

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

## 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.

## Information on underlying investments

Information regarding the underlying investments of the Trust will be provided to an investor 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 up to 30 days after a satisfactory request has been received.

## 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 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 Trust, 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 Trust 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 Trust.

## 12. Glossary of important terms

### **ABN**

Australian Business Number

### **Additional Investment Form**

The form used by investors who wish to subscribe for additional units directly in the Trust. Available from the Online Investor Portal at [www.bnpparibas-am.com.au](http://www.bnpparibas-am.com.au) or by calling BNP Paribas Asset Management's Client Services on 1800 267 726 (Australia) or +612 9619 6041.

### **Alpha**

Investment returns may be divided into "alpha" and "beta." Beta is that part of the return coming from the market as a whole. Alpha is that part of the return coming from specific factors related to that security or market opportunity. Alpha is therefore that part of the return associated with manager skill as the return does not come from market movement, but rather the identification of specific opportunities.

### **APIR**

This is a unique code for products in the financial services industry.

### **Application Price**

The Net Asset Value of the units in the Trust divided by the number of units on issue, plus the Buy Spread.

### **APRA**

Australian Prudential Regulation Authority.

### **ARSN**

Australian Registered Scheme Number.

### **Asset Class**

A category of financial assets. The major asset classes are shares, property, fixed interest securities, Derivatives and cash.

### **ASIC**

Australian Securities and Investments Commission.

### **ATO**

Australian Taxation Office

### **AUD or \$**

Australian dollars.

### **AUSTRAC**

Australian Transaction Reports and Analysis Centre.

### **Benchmark**

The benchmark for the Trust is the Bloomberg Ausbond Bank Bill Index.

### **Business Day**

Any day, other than a Saturday or Sunday, on which banks are open for general banking business in Sydney.

### **Buy/Sell Spread**

The Buy Spread is the difference between NAV per unit and the Application Price for units in the Trust, whereas the Sell Spread is the difference between NAV per unit and the Withdrawal Price of units in the Trust. Collectively this is known as the Buy/Sell Spread. The Buy/Sell Spread reflects the estimated transaction costs associated with buying and selling the assets of the Trust, when investors invest in or withdraw from the Trust.

### **Constitution**

The constitution of the Trust describes the rights, responsibilities and beneficial interests of both investors and the Responsible Entity in relation to the Trust.

### **Corporations Act**

The Australian Corporations Act 2001 (Cth), as amended from time to time.

### **Custodian and Administrator**

BNP Paribas Securities Services (ARBN 149 440 291).

### **Derivatives**

Generally, a derivative is a financial contract whose value depends upon, or is derived from, the value of an underlying asset, reference rate or index. Derivatives may relate to securities, bonds, interest rates, currencies or currency exchange rates, commodities, and related indexes. Examples include options contracts, futures contracts, options on futures contracts, and swap agreements.

### **Duration**

Duration is calculated as the weighted-average life of the cash-flows of a bond, or in this case the Trust. It is widely used as an estimate of the sensitivity of a bond's price to changes in the yield. A positive Duration means that the price will fall as yields rise, while a negative Duration means that the price will rise as yields rise. A Duration figure of 5 years suggests that a 1 percent change in yields will produce a price change of approximately 5 percent.

### **Emerging Markets**

Developing countries with relatively low per capita income, often with above-average economic growth potential. Many Latin American, Eastern European and Asian countries are considered Emerging Markets.

### **GST**

Australian Goods and Services Tax.

### **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**

The disclosure document for an IDPS.

### **IDPS Operator**

An entity that operates and offers an IDPS.

### **Indirect Investor**

A person who invests indirectly in units in a Trust through an IDPS.

### **Initial Application Form**

The application form used by applicants who wish to subscribe for units directly in the Trust accompanying this PDS. Available from the Online Investor Portal at [www.bnpparibas-am.com.au](http://www.bnpparibas-am.com.au) or by calling BNP Paribas Asset Management's Client Services on 1800 267 726 (Australia) or +612 9619 6041.

### **Investment Manager**

The investment manager of the Trust is BNP PARIBAS ASSET MANAGEMENT Australia Limited (ABN 78 008 576 449 AFSL No. 223418).

### **ISDA**

The International Swaps and Derivatives Association (ISDA) is a trade organisation of participants in the market for over-the-counter ("OTC") Derivatives.

### **Leverage**

The extent of the borrowing of the Trust.



## Long Position

Long Position means the buying of a security, commodity, or currency, with the expectation that the asset will rise in value.

## Management Costs

Total costs associated with investment in the Trust (including Responsible Entity fees and estimated expense recoveries).

## Net Asset Value or NAV

The value of assets of the Trust, less the value of the liabilities of the Trust (excluding net assets attributable to investors).

## Redemption Request Form

The form used by investors who wish to withdraw units directly from the Trust. Available from the Online Investor Portal at [www.bnpparibas-am.com.au](http://www.bnpparibas-am.com.au) or by calling BNP Paribas Asset Management's Client Services on 1800 267 726 (Australia) or +612 9619 6041.

## Responsible Entity

The responsible entity for the Trust is Equity Trustees Limited (ABN 46 004 031 298 AFSL No 240975).

## Retail Client

A person or entity as defined under section 761G of the Corporations Act.

## RITC

Reduced Input Tax Credits. Equity Trustees will apply for reduced input tax credits where applicable to reduce the cost of GST to the Trust.

## Short Position

Short Position means the sale of a security, commodity, or currency which is not owned, but generally borrowed in the market for the purpose of meeting obligations under the sale.

## Short selling

Short selling is achieved by borrowing an asset and selling it in the expectation that the value of the asset will depreciate. The short sale is covered by buying back the asset at a later time, hopefully at a lower price, thereby locking in a profit. The borrowed asset is then returned.

## Sub-investment grade

Securities with a credit rating of less than BBB by Standard and Poor's.

## Synthetic position

A synthetic position is one where the Delegated Investment Manager may recreate the risk and return of a given underlying investment in whole or in part through the use of a Derivative, or basket of Derivatives.

## Trust

BNP Paribas Absolute Return Fixed Income Trust

## 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.

## Wholesale Client

In the case of an Australian investor, means a person or entity as defined under section 761G of the Corporations Act.

## Wholesale Investor

In the case of a New Zealand investor, has the meaning given in clause 3(2) of Schedule 1 of the New Zealand Financial Markets Conduct Act 2013.

## Withdrawal Price

The Net Asset Value of the units in the Trust divided by the number of units on issue less the Sell Spread.



**BNP PARIBAS**  
**ASSET MANAGEMENT**

Client Services contact details

Phone

1800 267 726

Enquiries email

[amau.clientservice@bnpparibas.com](mailto:amau.clientservice@bnpparibas.com)

Transactions email

[bnppam.transactions@onevue.com.au](mailto:bnppam.transactions@onevue.com.au)

## Initial application form

Please use this form if you are a new investor and wish to invest in the BNP Paribas Absolute Return Fixed Income Trust by making an initial application.

**1. Read and ensure you understand the Product Disclosure Statement (PDS).**

The PDS is available at [www.bnpparibas-am.com.au](http://www.bnpparibas-am.com.au). The law prohibits any person passing this Application Form on to another person unless it is accompanied by a complete PDS. We will provide on request and without charge a paper or electronic copy of the current PDS and its incorporated documents.

**2. Complete all relevant sections of this application form either:**

- online - then print and sign in the relevant fields using a black pen; or
- manually - please write in BLOCK letters, using a black pen. If you make an error while completing this form, do not use correction fluid. Cross out your mistakes and initial your changes.

**Individuals:** complete section 1, section 2 and then section 5 onwards.

**Companies:** complete section 1, section 3 and then section 5 onwards.

**Trusts/Superannuation funds:**

- if you are an individual trustee - complete section 1, section 2 and then section 4 onwards
- if you are a trust with a company as a trustee – complete section 1 and then section 3 onwards.

If you are a New Zealand Wholesale Investor please ensure you complete the Wholesale Investor Certification attached to this Application Form.

**3. Certify and provide the identification documents.**

Please refer to section 9 'Identification and verification' and complete the relevant identification document attached to this Application Form.

**4. Tell us your tax status.**

Please complete the Tax Information form attached to this Application Form.

**5. Send your documents to our UNIT REGISTRY PROVIDER.**

You can return your forms by post to:

BNP PARIBAS ASSET MANAGEMENT Australia Limited  
GPO Box 804  
MELBOURNE VIC 3001

**6. Make your payment.**

Please refer to section 6 'Payment of application amount'.

Your application cannot be processed until all relevant identification documents and cleared funds are received.

**1. DO YOU HAVE AN EXISTING INVESTMENT IN ANY BNP PARIBAS ASSET MANAGEMENT AUSTRALIA LIMITED DISTRIBUTED TRUST FOR WHICH ONEVUE PROVIDES UNIT REGISTRY SERVICES?**

No, complete section 2 onwards.

Yes, the account number is  Please complete from section 5 onwards.

**2. INDIVIDUALS**

Please complete if you are investing individually, jointly or you are an individual or joint trustee

**Investor 1 – Personal details**

Title  Full given names

Surname

Date of birth (DD/MM/YYYY)  
 /  /

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Postal address** (if different to residential address)

A PO Box/RMB/Locked Bag is acceptable.

**Sole trader?**

No  Yes

If you are a sole trader, what is your business name?

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Contact details**

Home number (include country and area code)

Business number (include country and area code)

Mobile number (include country code)

Email address

This email address is the default address for all investor correspondence (such as transaction confirmations, statements, reports and other material).

ABN

**Tax details — Australian residents**

If you are an Australian resident for tax purposes please provide your tax file number (TFN) or reason for exemption. If you are an Australian resident and do not provide your TFN, or reason for exemption, you will be taxed at the highest marginal tax rate plus the Medicare levy.

TFN

Reason for exemption

**Tax details — Non Australian residents**

If you are not an Australian resident for tax purposes, please indicate your country of residence for tax purposes.

**Investor 2 – Personal details**

Title  Full given names

Surname

Date of birth (DD/MM/YYYY)  
 /  /

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Postal address** (if different to residential address)

A PO Box/RMB/Locked Bag is acceptable.

Property/Building name (if applicable)

Unit

Street number

Street name

Suburb

State

Postcode

Country

**Contact details**

Home number (include country and area code)

Business number (include country and area code)

Mobile number (include country code)

Email address

All correspondence will be sent to the address provided for investor 1.

**Tax details — Australian residents**

If you are an Australian resident for tax purposes please provide your Tax File Number (TFN) or reason for exemption. If you are an Australian resident and do not provide your TFN, or reason for exemption, you will be taxed at the highest marginal tax rate plus the Medicare levy.

TFN

Reason for exemption

**Tax details — Non Australian residents**

If you are not an Australian resident for tax purposes, please indicate your country of residence for tax purposes.

**If there are more than two individual investors or trustees, please provide the full name, date of birth, and residential address of each on a separate sheet and attach to this form.**

**3. COMPANIES**

Please complete if you are investing as a company or as a trust with a corporate trustee.

**Note:** You are also required to complete the relevant Identification Form.

**Company details**

Full name of company (as registered by ASIC)

ACN or ABN (for foreign companies, provide your Australian Registered Body Number (ARBN) if you have one)

TFN

Country of residency (if a foreign company)

**Registered office address**

A PO Box/RMB/Locked Bag is not acceptable. If you are a foreign company, write the address of your Australian registered agent (if you have one) or else write your principal place of business.

Name of Australian registered agent (if applicable)

Property/Building name (if applicable)

Unit

Street number

Street name

Suburb

State

Postcode

Country

**Postal address** (if different to above)

A PO Box/RMB/Locked Bag is acceptable.

Property/Building name (if applicable)

Unit

Street number

Street name

Suburb

State

Postcode

Country

**Contact person at company**

Name

Home number (include country and area code)

Business number (include country and area code)

Mobile number (include country code)

Email address

This email address is the default address for all investor correspondence (such as transaction confirmations, statements, reports and other material).

#### 4. TRUSTS OR SUPERANNUATION FUNDS

Please complete if you are investing as a trust or superannuation fund. Individuals and non-corporate trustee(s) must also complete section 2. Corporate trustees must also complete section 3.

**Note:** You are also required to complete the Identification Form - Trusts and Trustees.

##### Trust or superannuation fund details

Name of trust or superannuation fund

ABN (applicable if you are a trust or a self-managed superannuation fund registered with the Australian Tax Office)

TFN

#### 5. INVESTMENT DETAILS AND DISTRIBUTION INSTRUCTIONS

Please specify your initial application amount and your distribution choice below. If you do not make an election, distributions will be reinvested.

TRUST NAME	MINIMUM INVESTMENT AMOUNT (AUD)	INVESTMENT AMOUNT (AUD)	DISTRIBUTION PREFERENCE (indicate preference with an X)	
			Pay to my bank a/c	Reinvest
BNP Paribas Absolute Return Fixed Income Trust	\$500,000		<input type="checkbox"/>	<input type="checkbox"/>

Please indicate the source and origin of funds being invested:

<input type="checkbox"/> savings	<input type="checkbox"/> inheritance
<input type="checkbox"/> investment	<input type="checkbox"/> normal course of business
<input type="checkbox"/> superannuation contributions	<input type="checkbox"/> asset sale
<input type="checkbox"/> commission	<input type="checkbox"/> other – write the source and origin of funds below:
<input type="checkbox"/> donation/gift	<input type="text"/>

#### 6. INVESTMENT PAYMENT OF APPLICATION AMOUNT

All payments must be made in AUD.

##### EFT

Account name: Equity Trustees Ltd App Trust A/c – BNPP AM  
BSB: 255-000  
Account number: 246674803  
Your reference: [please use the name of the investor]

#### 7. FINANCIAL INSTITUTION ACCOUNT DETAILS

##### Australian bank account details

Please provide your bank account details if you have selected to take your distribution in cash or wish to provide these details for future redemptions. We will only pay cash proceeds to a bank account in the name(s) of the investor(s). We will not make any payments into third party bank accounts.

Financial institution name

Branch name

BSB number

Account number

Account name

#### 8. COMMUNICATION

##### Automatic online account access

Online access enables you to view details of your investments (account balance, investment details and account statements). We will send you the necessary registration details by post once your application is processed.

#### 9. IDENTIFICATION AND VERIFICATION

Please tick one box only:

- I have not previously invested in any BNP PARIBAS ASSET MANAGEMENT Australia Limited distributed trust and will complete the relevant investor identification forms located at the end of this application form.
- I am an existing investor in a BNP PARIBAS ASSET MANAGEMENT Australia Limited distributed trust and am not required to complete the investor identification forms located at the end of this application form.

#### 10. DECLARATIONS AND ACKNOWLEDGMENTS

When you apply to invest, you (the applicant) are telling us:

- you have received, read and understood the current PDS
- monies deposited are not associated with crime, terrorism, money laundering or terrorism financing, nor will monies received from your account have any such association

- you are not bankrupt or a minor
- you agree to be bound by the constitution of the Trust and the PDS as supplemented, replaced or re-issued from time to time
- you consent to the handling of your personal information in accordance with the Privacy Act 1988 and relevant privacy policies, and
- **for New Zealand applicants** - I/we acknowledge and agree that:
  - I/we have read the New Zealand Wholesale Investor Information Sheet
  - I am/we are a Wholesale Investor (in terms of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 (NZ)) and am/are therefore eligible to hold units in the Trust; and
  - I/we have not:
    - offered or sold, and will not offer or sell, directly or indirectly, any units in the Trust; and
    - distributed and will not distribute, directly or indirectly, the PDS or any other offering materials or advertisement in relation to any offer of units in the Trust,
 in each case in New Zealand, other than to a person who is a Wholesale Investor (in terms of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 (NZ)); and
  - I/we will notify EQT if I/we cease to be a Wholesale Investor (in terms of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 (NZ)); and
  - I/we have separately provided a signed Wholesale Investor Certification.

## 11. SIGNING INSTRUCTIONS

**Individual** — where the investment is in one name, the sole investor must sign.

**Joint Holding** — where the investment is in more than one name, all investors must sign. If more than two signatures are required, please attach an additional page with the full names of each account holder, their signatures, and date.

**Companies** — where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the capacity in which the form is signed.

**Trust** — the trustee(s) must sign this form. Trustee(s) signing on behalf of the trust confirm that the trustee(s) is/are acting in accordance with such designated powers and authority under the trust deed.

**Power of Attorney** — if signing under a Power of Attorney and you have not already lodged the Power of Attorney document, please attach a certified copy of the Power of Attorney annotated with the following: I/We attest that the Power of Attorney has not been rescinded or revoked and that the person who gave the Power of Attorney is still living.

Signature of investor 1, director or authorised signatory

Please print full name

Date (DD/MM/YYYY)

 /  / 

Company officer (please indicate company capacity)

- Director
- Sole director and company secretary
- Authorised signatory

Signature of investor 2, director/company secretary or authorised signatory

Please print full name

Date (DD/MM/YYYY)

 /  / 

Company officer (please indicate company capacity)

- Director
- Company secretary
- Authorised signatory

If you are investing jointly or are a joint trustee, please indicate whether a single investor can operate your account.

- Yes  No



## Tax information form

### Why you need to complete this form

The Foreign Account Tax Compliance Act (**FATCA**) and Common Reporting Standard (**CRS**) are regulatory requirements that aim to deter tax evasion by US and other foreign taxpayers. The Australian and many other foreign Governments (through their tax offices) have an agreement which means we must ask you, and you must answer, these questions. Information we gather is reported to the Australian Taxation Office (**ATO**) and in turn to global tax authorities. For more information, visit [ato.gov.au](http://ato.gov.au).

If you are unsure of any of the answers, please contact a legal or accounting professional.

### Which sections of the form should you complete?

- Superannuation funds, testamentary trusts, registered charities – **Section 1**
- Individuals – **Section 2**
- Companies and other trusts – **Section 3**

### What if more than one person is applying?

Each individual investor will need to complete a copy of this form.

#### HELP

##### Tell me about tax residence

You can be a resident of more than one country for tax purposes. Whether you are tax resident of a particular country for tax purposes is often based on the amount of time you spend in a country and the location of your residence and/or place of work. If you pay tax or have a tax liability somewhere, you are probably a tax resident there. Dual citizenship often brings dual tax residency. It depends on the country. For the US, tax residency can be as a result of citizenship or residency for tax purposes.

If you're unsure, ask someone who knows, usually your accountant.

## SECTION 1 SUPERANNUATION FUNDS AND OTHER SPECIAL TRUSTS

### 1. Are you a superannuation or other special type of trust?

- I am the trustee of a **regulated superannuation fund**, or this includes a self-managed superannuation fund
- I am a trustee of a **testamentary trust**, or
- I am a trustee of a **registered charity**

#### HELP

**Regulated superannuation fund:** means self-managed superannuation funds, APRA regulated superannuation funds, Australian Government or semi-government superannuation funds and pooled super trusts.

**Testamentary trust:** this is a trustee of a trust set up in a deceased's will.

### Where to now?

- I ticked a box ► go to **Section 4 Signatures**
- I did not tick a box ► go to **Section 2** if you are an individual, or **Section 3** if you are a company or another type of trust

## SECTION 2 INDIVIDUALS

Do not complete **Section 2** if you are a non-superannuation trustee or you are a company ► complete **Section 3** instead.

### 2. Are you a US resident for tax purposes?

- No ► go to **question 3**
- Yes – please tell us your TIN ► go to **question 3**

TIN

#### HELP

##### What is a TIN?

This is short for **Taxpayer Identification Number**, an identification number issued or used by tax authorities. In Australia, the equivalent is the tax file number (TFN). For the US, it could for example be a US Social Security Number, a US Individual Taxpayer Identification Number or a US Employer Identification Number. In other countries, it may have a different name.

3. Are you a resident of any other country for tax purposes?  
Other than the US or Australia.

No ► go to Section 4 Signatures

Yes – please tell us which ones, using the following table.  
► then go to Section 4 Signatures

**HELP**

No TIN? Reasons we accept are:

- #1 This country does not issue TINs
- #2 I have asked for a TIN, but have not yet been given one – you must tell us when received
- #3 The laws of this country do not require me to disclose my TIN
- #4 I have an exemption under the laws of this country from holding a TIN – write a code or give us details

	Country	TIN	No TIN? Which reason? See HELP box above
1.			
2.			
3.			
4.			

**SECTION 3 COMPANIES AND NON-SUPERANNUATION TRUSTS**

4. Are you a US resident for tax purposes?

No ► go to question 5

Yes – please tell us your TIN ► then go to question 5

TIN

**HELP**

What is a TIN?

See HELP box on the previous page.

5. Are you a resident of any other country for tax purposes?  
Other than the US or Australia.

No ► go to question 6

Yes – please tell us which ones, using the following table.  
► then go to question 6

**HELP**

No TIN? Reasons we accept are:

- #1 This country does not issue TINs
- #2 I have asked for a TIN, but have not yet been given one – you must tell us when received
- #3 The laws of this country do not require me to disclose my TIN
- #4 I have an exemption under the laws of this country from holding a TIN – write a code or give us details

	Country	TIN	No TIN? Which reason? See HELP box above
1.			
2.			
3.			
4.			



6. Are you a 'financial institution'?

Be careful – financial Institution is broadly defined – see HELP box

- Not relevant - I wrote my TIN in question 4 ► go to **question 7**
- No ► go to **question 7**
- Yes – please tell us your GIIN – see HELP box

**Where to now?**

- I ticked YES and completed my GIIN ► go to **question 7**
- I ticked YES but did not write a GIIN – tell us below why you did not write a GIIN ► then go to **question 7**

- Excepted Financial Institution
- Deemed Compliant Financial Institution
- Exempt Beneficial Owner
- Non-participating Financial Institution
- Non-reporting IGA Financial Institution
- Sponsored financial institution – their GIIN is

7. Are you a public company listed on a stock exchange?

- No ► go to **question 8**
- Yes ► go to **Section 4 Signatures**

8. Are you 'active' or 'passive'?

- I am an 'active' non financial entity ► go to **Section 4 Signatures**
- I am a 'passive' non financial entity ► go to **question 9**

**HELP**

**What is a GIIN?**

This stands for Global Intermediary Identification Number. GIINs are 19 digits long, issued by US tax authorities (the IRS) to non US financial institutions and sponsoring entities for purposes of identifying their registration with the IRS under US tax laws (called FATCA).

**HELP**

**What is a financial institution?**

This includes:

- **an investment entity** - any entity that conducts certain activities or operations for or on behalf of a customer, including:
  - 'trading in money market instruments' and other relevant instruments
  - 'individual and collective portfolio management'
  - 'investing, administering, or managing funds or money on behalf of other persons'.

However, any trading, investing, administering or managing of **financial assets** on behalf of other persons must be done **as a business**. Note that **financial assets** does not include direct interests in real property.

An entity is also an investment entity if it is managed by another entity that is an investment entity.

An investment entity is generally only capable of including a trust if the trust's gross income is primarily attributable to investing, reinvesting, or trading in financial assets and the trust is managed by an entity that is a financial institution in its own right or otherwise is primarily conducting a business of trading, investing, managing or administering financial assets on behalf of other persons.

So, as general rules:

- managed investment schemes are investment entities
- trusts with professional corporate trustees (and often professional corporate investment managers) often are investment entities, such as unregistered (wholesale) managed investment schemes
- discretionary family trusts are not usually investment entities, even if they have someone managing the trust's assets for them.

The ATO gives some help in this, and it's worth seeking advice if you are unsure:

[ato.gov.au/General/International-tax-agreements/In-detail/International-arrangements/FATCA-detailed-guidance](http://ato.gov.au/General/International-tax-agreements/In-detail/International-arrangements/FATCA-detailed-guidance)

- **a depository institution**  
you accept deposits in the ordinary course of a banking or similar business e.g. a bank
- **a custodial institution**  
a substantial portion of your business (20 per cent plus of gross income) is held in financial assets for the account of others e.g. a custodian
- **certain prescribed entities**  
e.g. types of insurance companies that have cash value products or annuities.

**HELP**

**What is 'active' and 'passive'?**

- If you are answering this question, then relevant tax laws categorise you as a 'non-financial entity'.
- We require less information from active non-financial entities, and more information from passive non-financial entities.
- Please tell us if you are active or passive.
- You are active if you are not passive.
- **Passive:** because our income and assets are mostly passive. During the previous financial year, 50% or more of our gross income was passive income and 50% or more of our assets during that financial year were assets that produced or were held for the production of passive income. Passive assets are assets such as equities and debt securities that produce investment income such as dividends, interests, royalties and annuities.
- **Passive:** because we are not really a business. We are established and operated exclusively for: religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; as a professional organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural organisation, civic league; or as an organisation operated exclusively for the promotion of social welfare.
- **Passive:** because we are exempt from Australian income tax.
- Other categories of passive? They exist but are less common.

Get advice if you are unsure.



**Controlling person**

Title Given names

Surname

Date of birth (DD/MM/YYYY)

City and country of birth

Residential address

Number Street name

Suburb/City

State

Post code/Zip Country

	Country of tax residence	TIN	No TIN? Which reason? See HELP at questions 3 or 5
1.			
2.			
3.			
4.			

**Controlling person**

Title Given names

Surname

Date of birth (DD/MM/YYYY)

City and country of birth

Residential address

Number Street name

Suburb/City

State

Post code/Zip Country

	Country of tax residence	TIN	No TIN? Which reason? See HELP at questions 3 or 5
1.			
2.			
3.			
4.			

**Controlling person**

Title Given names

Surname

Date of birth (DD/MM/YYYY)

City and country of birth

Residential address

Number Street name

Suburb/City

State

Post code/Zip Country

	Country of tax residence	TIN	No TIN? Which reason? See HELP at questions 3 or 5
1.			
2.			
3.			
4.			

**Controlling person**

Title Given names

Surname

Date of birth (DD/MM/YYYY)

City and country of birth

Residential address

Number Street name

Suburb/City

State

Post code/Zip Country

	Country of tax residence	TIN	No TIN? Which reason? See HELP at questions 3 or 5
1.			
2.			
3.			
4.			

## SECTION 4 SIGNATURES

### Important information

Nothing in this form is advice (and any 'help' is general guidance only). Seek professional advice to be sure of your answers.

It is a condition of investing that you keep your details (including tax details) with us, up to date. We recommend that you review this tax information form at the end of the financial year and update your details if required. You must contact us when you learn new things about the matters in this form. Failing to update us can have tax and other consequences. You can update us by requesting and completing this form again and emailing, faxing or posting it to our Administrator.

By completing and signing this form:

- you represent having read and understood this form
- you represent this form is complete and accurate
- if you have applied for but not received your TIN or GIIN, you undertake to inform us within 30 days of receiving it
- you undertake that if information in this form changes, you will tell us within 30 days.

### How to sign

**Individual:** sign in the left box, and have someone witness in the right box. If you are investing jointly, you need a separate form for each individual.

**Company:** two directors, or a director and a secretary sign, or if you are a sole director company, that sole director signs in the left box and a witness in the right box.

#### Signature

Please print full name

Date (DD/MM/YYYY)

#### Signature

Please print full name

Date (DD/MM/YYYY)



## Instructions: identification forms

Which form?	<p>There are three forms that follow: one each for individuals, companies and trustees.</p> <p>Choose the form that is applicable to you.</p> <p>If you are a partnership, an association, a co-operative or a Government body, then contact us and we will send a more appropriate form to you.</p>
Copies or originals?	<p>This form asks you to send us certain documents. Please send us certified copies, not originals. We will keep what you send to us.</p>
Certifying copies	<p>You must have someone certify the copies you send to us. The following people can be the certifier:</p> <p>You must certify the copies you send to us by one of the following certifiers:</p> <ul style="list-style-type: none"> <li>• a Justice of the Peace</li> <li>• a Notary public (for the purposes of the Statutory Declaration Regulations 1993)</li> <li>• an agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public</li> <li>• a permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public</li> <li>• an officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees</li> <li>• an officer with 2 or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993)</li> <li>• a finance company officer with 2 or more continuous years of service with one or more finance companies (for the purposes of the Statutory Declaration Regulations 1993)</li> <li>• a member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership</li> <li>• a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described)</li> <li>• a Judge of a court</li> <li>• a magistrate</li> <li>• a chief executive officer of a Commonwealth court</li> <li>• a registrar or deputy registrar of a court</li> <li>• a Police officer</li> <li>• an Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular FeesAct 1955).</li> </ul>
What should the person certifying write?	<p>"I [name] of [address] being [capacity e.g. Justice of the Peace] certify this and the following [x] pages as a true copy of the original document." Each page should be initialed by the person certifying your documents.</p>
Not in English?	<p>Documents not in English must be accompanied by an English translation prepared by an accredited translator. Contact us if you need guidance on accredited translators.</p>



**BNP PARIBAS**  
**ASSET MANAGEMENT**

Client Services contact details

Phone

1800 267 726

Enquiries email

[amau.clientservice@bnpparibas.com](mailto:amau.clientservice@bnpparibas.com)

Transactions email

[bnppam.transactions@onevue.com.au](mailto:bnppam.transactions@onevue.com.au)

## Identification form – Individuals

**Please complete this form if you have not previously invested in a BNP PARIBAS ASSET MANAGEMENT Australia Limited distributed trust. A separate form is required for each investor in the case of joint holdings. If you make an error while completing this form, do not use correction fluid. Cross out your mistakes and initial your changes.**

**If you are a trustee, do NOT complete this form. Complete the Identification form – Trusts and Trustees instead.**

1. Please complete this identification form in block letters and using a black pen.
2. Make copies of your ID document(s) and arrange for them to be certified. Please refer to the 'Instructions' page for more information on getting your documents certified.
3. Include this identification form and certified copies of your ID documents with your initial application form when you send it to us.



## 1. PERSONAL DETAILS

Title  Full given names

Surname

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation

Please indicate the source and origin of funds being invested:

- savings
- investment
- superannuation contributions
- commission
- donation/gift
- inheritance
- normal course of business
- asset sale
- other – write the source and origin of funds below:

## 2. VERIFICATION PROCEDURE – INDIVIDUAL INVESTOR

Please provide a certified copy of one document from Group 1 or if you can't, a certified copy of two documents from Group 2 for each individual applicant.

### Group 1

Provide a certified copy of one of these:

- Australian driver's licence**  
showing your photo, and please copy the front and back **OR**
- foreign driver's licence**  
showing your date of birth, signature and photo **OR**
- Australian passport**  
a passport that has expired within the preceding two years is acceptable, and please copy the pages which identify you **OR**
- foreign passport**  
showing your signature and photo, and please copy the pages which identify you **OR**
- Australian State or Territory Government issued ID card**  
showing your date of birth, signature and photo **OR**
- foreign Government issued ID card**  
showing your date of birth, signature and photo.

### Group 2

If you can't provide anything from Group 1, then provide a certified copy of one of the following:

- Australian or foreign government issued birth certificate** **OR**
- Australian or foreign government issued citizenship certificate** **OR**
- Centrelink pension or health card**  
please copy the front and back.

PLUS provide a certified copy of one of the following:

- a Government issued notice**  
one which shows your name and residential address, not more than 12 months old **OR**
- a rates or utilities notice**  
one which shows your name and residential address, not more than 3 months old **OR**
- ATO notice**  
one which shows any debt owing to the ATO, your name and residential address, not more than 12 months old.

## 3. SIGNATURE

Signature

Date (DD/MM/YYYY)  
 /  /



**BNP PARIBAS**  
**ASSET MANAGEMENT**

Client Services contact details

Phone

1800 267 726

Enquiries email

[amau.clientservice@bnpparibas.com](mailto:amau.clientservice@bnpparibas.com)

Transactions email

[bnppam.transactions@onevue.com.au](mailto:bnppam.transactions@onevue.com.au)

## Identification form – Australian and foreign companies

**Please complete this form if you are a company investing for the first time with a BNP PARIBAS ASSET MANAGEMENT Australia Limited distributed trust. If you make an error while completing this form, do not use correction fluid. Cross out your mistakes and initial your changes.**

**If you are a trustee, do NOT complete this form. Complete the Identification form – Trusts and Trustees instead.**

1. Please complete this identification form in block letters and using a black pen.
2. Make copies of your ID document(s) and arrange for them to be certified. Please refer to the 'Instructions' page for more information on getting your documents certified.
3. Include this identification form and certified copies of your ID documents with your initial application form when you send it to us.

**1. COMPANY DETAILS**

**1.1. General information**

Full name of company

Nature of business

Please indicate the source and origin of funds being invested:

- savings
- investment
- superannuation contributions
- commission
- donation/gift
- inheritance
- normal course of business
- asset sale
- other – write the source and origin of funds below:

**1.2. Australian companies**

Principal place of business (if different to registered office address).

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit Street number

Street name

Suburb State

Postcode Country

Please provide us with certified copies of the following:

- an ASIC search OR
- a certificate of registration issued by ASIC

**1.3. Foreign companies**

Country of formation

Registered in Australia?

- No  Yes – what is the ARBN:

Registered in country of formation?

- No  Yes – name of regulator/exchange:

Identification number issued by foreign registration body

If you are a foreign company registered in Australia write your principal place of business in Australia or the full name and address of your Australian agent.

If you are a foreign company not registered in Australia write your registered business address in country of formation or principal place of business if there is not a registered address.

A PO Box/RMB/Locked Bag is not acceptable

Property/Building name (if applicable)

Unit Street number

Street name

Suburb State

Postcode Country (if not Australia)

Please provide us with certified copies of one of the following:

- an ASIC or foreign regulator search OR
- an ASIC or foreign regulator certificate of registration.

**2. COMPANY TYPE**

Please complete the section below for public companies (section 2.1) or private companies (section 2.2) (as applicable).

**2.1. Public company**

Are you a public company?

- No  Yes

If yes, please proceed to section 3.

**2.2. Private company**

Are you a private company?

- No  Yes

If yes, please complete the director details section below if you are a private Australian company or a private foreign company. Do not complete for public companies.

Director details

How many directors are there?

Provide the full name of each director

Director 1

Title Full given names

Surname

Director 2

Title Full given names

Surname

**Director 3**

Title  Full given names

Surname

**Director 4**

Title  Full given names

Surname

If there are more directors, please provide their name on a separate sheet and attach to this form.

**3. REGULATED/LISTED COMPANIES**

**Are you an Australian listed company?**

No  Yes – please provide name of market/exchange

Market/exchange

**Are you a majority-owned subsidiary of an Australian listed company?**

No  Yes – please provide name of listed company and market/exchange

Company

Market/exchange

**Are you a regulated company?**

One that which is licensed by an Australian Commonwealth, State or Territory statutory regulator.

No  Yes – please provide details of the regulator and license number

Regulator

Licence number

If you answered yes to any of these questions, please provide us with a certified copy of one of the following and sign the form at the end. For you, this form is then complete.

- an ASIC search OR
- a search of the licence or other records of the relevant regulator OR
- a public document issued by the company OR
- a search of the relevant market/exchange

**4. NON-REGULATED/NON-LISTED COMPANIES**

If you answered no to all the questions in section 3, please fill in the sections 4.1, 4.2 and 4.3 below.

**4.1. Beneficial owner details**

Provide details of all beneficial owners who are individuals who, through one or more shareholdings, ultimately own 25% or more of the company's issued capital or who control (whether directly or indirectly) the company and either the date of birth or full residential address of each beneficial owner.

**HELP**

**Control:** includes control as a result of, or by means of, trusts, agreements, arrangements, understandings and practices, whether or not having legal or equitable force and whether or not based on legal or equitable rights, and includes exercising control through the capacity to determine decisions about financial and operating policies.

**Beneficial owner 1**

Title  Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation/Nature of business

**Residential/Registered office address.**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Beneficial owner 2**

Title  Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation/Nature of business

**Residential address/Registered office address.**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Beneficial owner 3**

Title  Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation/Nature of business

**Residential address/Registered office address.**  
 A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Beneficial owner 4**

Title  Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation/Nature of business

**Residential address/Registered office address.**  
 A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Verification procedure - beneficial owners**

Please provide a certified copy of one document from Group 1 or if you can't, a certified copy of two documents from Group 2 for each individual applicant.

**Group 1**

Provide a certified copy of one of these:

- Australian driver's licence**  
showing your photo, and please copy the front and back **OR**
- foreign driver's licence**  
showing your date of birth, signature and photo **OR**
- Australian passport**  
a passport that has expired within the preceding two years is acceptable, and please copy the pages which identify you **OR**
- foreign passport**  
showing your signature and photo, and please copy the pages which identify you **OR**
- Australian State or Territory Government issued ID card**  
showing your date of birth, signature and photo **OR**
- foreign Government issued ID card**  
showing your date of birth, signature and photo.

**Group 2**

If you can't provide anything from Group 1, then provide a certified copy of one of the following:

- Australian or foreign government issued birth certificate** **OR**
- Australian or foreign government issued citizenship certificate** **OR**
- Centrelink pension or health card**  
please copy the front and back.

**PLUS** provide a certified copy of one of the following:

- a Government issued notice**  
one which shows your name and residential address, not more than 12 months old **OR**
- a rates or utilities notice**  
one which shows your name and residential address, not more than 3 months old **OR**
- ATO notice**  
one which shows any debt owing to the ATO, your name and residential address, not more than 12 months old.

**For each corporate beneficial owner please provide:**

- a completed identification form – Australian and Foreign companies, plus any relevant identification

**4.2. Voting rights**

If there are any other individuals, who have not been listed above in section 4.1, and who are entitled, either directly or indirectly, to exercise 25% or more of the company's voting rights, please provide their name, date of birth, and residential address on a separate sheet and attach to this form.

### 4.3. Senior Managing Official details

If the company does not have any beneficial owners, please provide the details of the Senior Managing Official (or equivalent).

Title  Full given names

Surname

Date of birth (DD/MM/YYYY)  
 /  /

Company title

**Residential address/Registered office address.**  
A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**HELP**  
**Senior managing official:** an individual who makes, or participates in making, decisions that affect the whole, or a substantial part of the company, or that may significantly affect the company's financial standing.

**Verification procedure - senior managing official details**  
If you are unable to provide details of the beneficial owners in 4.1 above, please provide documentation showing the name of the senior managing official, as provided in this section 4.3.

### 5. SIGNING INSTRUCTIONS

Where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the capacity in which the form is signed.

Signature of director 1

Please print full name

Date (DD/MM/YYYY)  
 /  /

Company officer (please indicate company capacity)  
 Director  
 Sole director and company secretary

Signature of director 2/company secretary

Please print full name

Date (DD/MM/YYYY)  
 /  /

Company officer (please indicate company capacity)  
 Director  
 Company secretary





**BNP PARIBAS**  
**ASSET MANAGEMENT**

Client Services contact details

Phone

1800 267 726

Enquiries email

[amau.clientservice@bnpparibas.com](mailto:amau.clientservice@bnpparibas.com)

Transactions email

[bnppam.transactions@onevue.com.au](mailto:bnppam.transactions@onevue.com.au)

## Identification form – Trusts and Trustees

**Please complete this form if you have not previously invested in a BNP PARIBAS ASSET MANAGEMENT Australia Limited distributed trust. If you make an error while completing this form, do not use correction fluid. Cross out your mistakes and initial your changes.**

1. Please complete this identification form in block letters and using a black pen.
2. Make copies of your ID document(s) and arrange for them to be certified. Please refer to the 'Instructions' page for more information on getting your documents certified.
3. Include this identification form and certified copies of your ID documents with your initial application form when you send it to us.

## 1. TRUST DETAILS

Full name of trust

Business name (if any)

Country in that the trust was established

Please indicate the source and origin of funds being invested:

- savings
- investment
- superannuation contributions
- commission
- donation/gift
- inheritance
- normal course of business
- asset sale
- other – write the source and origin of funds below:

## 2. TYPE OF TRUST

### 2.1. Regulated trusts

This includes complying super funds and SMSFs

**Super fund** - or another type of trust registered and regulated by an Australian Commonwealth statutory regulator

No  Yes

If yes, please tell us:

The trust's ABN

The regulator if not APRA or the ATO

Any licence number

**Registered managed investment scheme**

No  Yes

If yes, please tell us the ARSN

**Government superannuation fund**

No  Yes

If yes, please tell us the name of the Act that regulates the trust

If you answered yes to any of these questions, then please provide a certified copy of one of the following:

**super funds**

go to [www.abn.business.gov.au](http://www.abn.business.gov.au), select the 'Super Fund Lookup' option and print out the results for your super fund OR

**registered managed investment schemes**

an ASIC search of the scheme OR

**Government superannuation funds**

an extract of the establishing legislation.

### 2.2. Non-regulated trusts

Including family discretionary trusts, family and other unit trusts, deceased estates and charitable trusts (but not including self managed super funds)

Is the trust a non-regulated trust?

No  Yes

If yes, please specify the type of trust

Please provide full name, address and date of birth of all beneficial owners who are individuals who own 25% or more of the trust income or assets or who control (whether directly or indirectly) the trust and either the date of birth or full residential address of each beneficial owner:

#### HELP

**Control:** includes control as a result of, or by means of, trusts, agreements, arrangements, understandings and practices, whether or not having legal or equitable force and whether or not based on legal or equitable rights, and includes exercising control through the capacity to determine decisions about financial and operating policies.

#### Beneficial owner 1

Title Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)

Usual occupation/Nature of business

#### Residential address

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit

Street number

Street name

Suburb

State

Postcode

Country

**Beneficial owner 2**

Title  Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation/Nature of business

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Beneficial owner 3**

Title  Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation/Nature of business

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Beneficial owner 4**

Title  Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation/Nature of business

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**Please provide the name of all beneficiaries that are not beneficial owners.**

If the trust deed describes the beneficiaries by reference to member of a class please provide details of, the class to which the beneficiaries belong e.g. family members, unit holders, un-named charities on a separate sheet and attach to this form.

**Beneficiary 1**

Title  Full given names

Surname

**Beneficiary 2**

Title  Full given names

Surname

**Beneficiary 3**

Title  Full given names

Surname

**Beneficiary 4**

Title  Full given names

Surname

Please provide the name of the **appointor** of the trust, if applicable

**HELP**

**Appointor:** the appointor has the power to appoint or remove the trustees of the trust. Not all trusts have an appointor.

Name of trust **settlor**

**HELP**

**Settlor:** this is the person that creates the trust. The settlor may be, for example, your accountant or solicitor.

Note: you do not need to provide the name of the trust settlor if they are deceased, or the material asset at the time the trust was established was less than \$10,000.

If you are a non-regulated trust, please provide us with certified copies of one of the following:

- Trust deed**  
or an extract of the trust deed showing the full name of the trust and any named trust settlor
- Other documentation**  
confirming the full name of the trust and the name of the trust settlor

**3. TRUSTEE DETAILS**

**3.1 Verification procedure – individual trustee**

Title  Full given names

Surname

Date of birth (DD/MM/YYYY)  
 /  /

Usual occupation

Please provide a certified copy of one document from Group 1 or if you can't, a certified copy of two documents from Group 2 for each individual applicant.

**Group 1**

Provide a certified copy of one of these:

- Australian driver's licence**  
showing your photo, and please copy the front and back OR
- foreign driver's licence**  
showing your date of birth, signature and photo OR
- Australian passport**  
a passport that has expired within the preceding two years is acceptable, and please copy the pages which identify you OR
- foreign passport**  
showing your signature and photo, and please copy the pages which identify you OR
- Australian State or Territory Government issued ID card**  
showing your date of birth, signature and photo OR
- foreign Government issued ID card**  
showing your date of birth, signature and photo.

**Group 2**

If you can't provide anything from Group 1, then provide a certified copy of one of the following:

- Australian or foreign government issued birth certificate** OR
- Australian or foreign government issued citizenship certificate** OR
- Centrelink pension or health card**  
please copy the front and back.

PLUS provide a certified copy of one of the following:

- a Government issued notice**  
one which shows your name and residential address, not more than 12 months old OR
- a rates or utilities notice**  
one which shows your name and residential address, not more than 3 months old OR
- ATO notice**  
one which shows any debt owing to the ATO, your name and residential address, not more than 12 months old.

For each corporate beneficial owner please provide:

- a completed Identification form – Australian and Foreign companies, plus any relevant identification.

**3.2 Verification procedure – company trustees**

**3.2.1 General information**

Full name of company trustee

Nature of business

ACN

**3.2.2 Australian company trustee**

Place of business (if different to registered office address)

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**3.2.3 Foreign company trustee**

Country of formation

Registered in Australia?

- No  Yes

If yes, please provide the ARBN

Registered in that country?

- No  Yes

If yes, please provide the name of regulator/exchange

Identification number issued by foreign registration body

**Registered business address in country of formation.**

A PO Box/RMB/Locked Bag is not acceptable

Property/Building name (if applicable)

Unit

Street number

Street name

Suburb

State

Postcode

Country (if not Australia)

Please provide us with certified copies of one of the following:

an ASIC or foreign regulator search OR

an ASIC or foreign regulator certificate of registration.

**3.2.4 Company type**

Please complete the section below for public companies (3.2.4 (a)) or private companies (section 3.2.4 (b)) (as applicable).

**3.2.4 (a) Public company**

Are you a public company?

No  Yes

If yes, please proceed to section 3.2.5

**3.2.4 (b) Private company**

Are you a private company?

No  Yes

If yes, please complete the director details section below if you are a private Australian company or a private foreign company. Do not complete for public companies.

**Director details**

How many directors are there?

Provide the full name of each director

**Director 1**

Title Full given names

Surname

**Director 2**

Title Full given names

Surname

**Director 3**

Title Full given names

Surname

**Director 4**

Title Full given names

Surname

If there are more directors, please provide their name on a separate sheet and attach to this form.

**3.2.5 Regulated/Listed companies**

Are you an Australian listed company?

No  Yes – please provide name of market/exchange

Market/Exchange

Are you a majority-owned subsidiary of an Australian listed company?

No  Yes – please provide name of listed company and market/exchange

Company

Market/Exchange

Are you a regulated company?

One which is licensed by an Australian Commonwealth, State or Territory statutory regulator.

No  Yes – please provide details of the regulator and licence number

Regulator

Licence number

If you answered yes to any of these questions, please provide us with a certified copy of one of the following and sign the form at the end. For you, this form is then complete.

an ASIC search OR

a search of the licence or other records of the relevant regulator OR

a public document issued by the company OR

a search of the relevant market/exchange

**3.2.6 Non-regulated/Non-listed companies**

If you answered no to all the questions in section 3.2.5, please fill in the sections 3.2.6 (a), (b) and (c) below.

**3.2.6 (a) Beneficial owner details**

Provide details of all beneficial owners (i.e. company shareholders) who, through one of more shareholdings, own 25% or more of the company's issued capital.

**Beneficial owner 1**

Title Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)

DD / MM / YYYY

Usual occupation/nature of business

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit Street number

Street name

Suburb State

Postcode Country

**Beneficial owner 2**

Title Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)

DD / MM / YYYY

Usual occupation/Nature of business

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit Street number

Street name

Suburb State

Postcode Country

**Beneficial owner 3**

Title Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)

DD / MM / YYYY

Usual occupation/nature of business

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit Street number

Street name

Suburb State

Postcode Country

**Beneficial owner 4**

Title Full given names

Surname/Company name

Date of birth (DD/MM/YYYY)

DD / MM / YYYY

Usual occupation/nature of business

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property/Building name (if applicable)

Unit Street number

Street name

Suburb State

Postcode Country

**Verification procedure - beneficial owners**

Please provide a certified copy of one document from Group 1 or if you can't, a certified copy of two documents from Group 2 for each individual applicant.

**Group 1**

Provide a certified copy of one of these:

- Australian driver's licence showing your photo, and please copy the front and back OR
- foreign driver's licence showing your date of birth, signature and photo OR
- Australian passport a passport that has expired within the preceding two years is acceptable, and please copy the pages which identify you OR
- foreign passport showing your signature and photo, and please copy the pages which identify you OR
- Australian State or Territory Government issued ID card
- foreign Government issued ID card showing your date of birth, signature and photo.



**Group 2**

If you can't provide anything from Group 1, then provide a certified copy of one of the following:

- Australian or foreign government issued birth certificate OR
- Australian or foreign government issued citizenship certificate OR
- Centrelink pension or health card  
please copy the front and back.

**PLUS** provide a certified copy of one of the following:

- a Government issued notice  
one which shows your name and residential address, not more than 12 months old OR
- a rates or utilities notice  
one which shows your name and residential address, not more than 3 months old OR
- ATO notice  
one which shows any debt owing to the ATO, your name and residential address, not more than 12 months old.

**For each corporate beneficial owner please provide:**

- a completed Identification form – Australian and Foreign companies, plus any relevant identification.

**3.2.6 (b) Voting rights**

If there are any other individuals, who have not been listed above in section 3.2.6 (a), and who are entitled, either directly or indirectly, to exercise 25% or more of the company's voting rights, please write down their full names on a piece of paper and attach to this form.

**3.2.6 (c) Senior Managing Official details**

If the company does not have any beneficial owners, please provide the details of the Senior Managing Official (or equivalent).

Title  Full given names/Full company name

Surname

Date of birth (DD/MM/YYYY)  
 /  /

Nature of business

Company title

**Residential address**

A PO Box/RMB/Locked Bag is not acceptable.

Property name/building name (if applicable)

Unit  Street number

Street name

Suburb  State

Postcode  Country

**HELP**  
**Senior managing official:** an individual who makes, or participates in making, decisions that affect the whole, or a substantial part of the company, or that may significantly affect the company's financial standing.

**Verification procedure - senior managing official details**

If you are unable to provide details of beneficial owners in 3.2.6 (a) above, please provide documentation showing the name of the senior managing official, as provided in this section 3.2.6 (c).

**4. SIGNING INSTRUCTIONS**

**Individual Trustee** – where the investment has one individual trustee, the trustee must sign.

**Multiple trustees** – where the investment has more than one individual trustee, all trustees must sign.

**Corporate trustee** – where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the capacity in which the form is signed.

**Trust** – the trustee(s) must sign this form. Trustee(s) signing on behalf of the trust confirm that the trustee(s) is/are acting in accordance with such designated powers and authority under the trust deed.

**Power of Attorney** – if signing under a Power of Attorney and you have not already lodged the Power of Attorney with us, please attach a certified copy of the Power of Attorney. I/We attest that the Power of Attorney has not been rescinded or revoked and that the person who gave the Power of Attorney is still living.

Signature of trustee 1, director or authorised signatory

Please print full name

Date (DD/MM/YYYY)  
 /  /

Company officer (please indicate company capacity)

- Director
- Sole director and company secretary
- Authorised signatory

Signature of trustee 2, director/company secretary or authorised signatory

Please print full name

Date (DD/MM/YYYY)  
 /  /

Company officer (please indicate company capacity)

- Director
- Company secretary
- Authorised signatory

# Wholesale Investor Certification

## (Clause 44 of Schedule 1 of the Financial Markets Conduct Act 2013 (FMCA))

### Warning

The law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision.

If you are a wholesale investor, the usual rules do not apply to offers of financial products made to you. As a result, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for these investments.

Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

### Offence

It is an offence to give a certificate knowing that it is false or misleading in a material particular. The offence has a penalty of a fine not exceeding NZ\$50,000.

### The Offer

Units in the BNP Paribas Absolute Return Fixed Income Trust (the Trust) are offered and issued to investors by Equity Trustees Limited, with BNP Paribas Asset Management appointed as the Investment Manager in respect of the Trust.

Offers of units in the Trust in New Zealand are limited to Wholesale Investors within the meaning of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013.

In order to access units in the Trust, please review the BNP Paribas Absolute Return Fixed Income Trust New Zealand Wholesale Investor Information Sheet and PDS, read this form, select the type(s) of wholesale investor criteria that apply to you, and complete the certification below.

If you have any queries in relation to the Trust, please contact BNP Paribas Asset Management on 1800 267 726 (Australia) or +612 9619 6041 or at [amau.clientservice@bnpparibas.com](mailto:amau.clientservice@bnpparibas.com). Any queries in relation to your wholesale investor certification should be directed to Equity Trustees' Product Team at [productteam@egt.com.au](mailto:productteam@egt.com.au).

### The client identified below certifies that:

- the client is a Wholesale Investor within the meaning of Schedule 1 of the FMCA, clause 3(2) (in relation to offers of financial products); and
- the client understands the consequences of being certified as a 'Wholesale Investor' in terms of the FMCA and has received the BNP Paribas Absolute Return Fixed Income Trust New Zealand Wholesale Investor Information Sheet and PDS for the Trust.

The type of Wholesale Investor outlined in Schedule 1 that applies to the client is identified below, along with the grounds on which the client claims that they fall within the identified type.

Unless Equity Trustees Limited agrees otherwise, by completing this form the client is certifying that every transaction on the account referred to below is carried out on its own behalf and not on behalf of any third party. Please contact Equity Trustees if you are acting on behalf of any third party.

Please select all types of wholesale investor below that are applicable by marking a tick or a cross in the relevant box(es). For each type that applies, please also select the relevant grounds on which the client is within the identified type.

<input type="checkbox"/> <b>The client is an investment business (clause 3(2)(a))</b> Note: other than authorised financial advisers, this applies to entities, not individuals	
Grounds for claiming the client is within this type:	
<input type="checkbox"/>	the client is an entity whose principal business consists of investing in financial products
<input type="checkbox"/>	the client is an entity whose principal business consists of acting as an underwriter
<input type="checkbox"/>	the client is an entity whose principal business consists of providing a financial adviser service (within the meaning of section 9 of the Financial Advisers Act 2008) in relation to financial products
<input type="checkbox"/>	the client is an entity whose principal business consists of providing a broking service (within the meaning of section 77B of the Financial Advisers Act 2008) in relation to financial products
<input type="checkbox"/>	the client is an entity whose principal business consists of trading in financial products on behalf of other persons
<input type="checkbox"/>	the client is a registered bank (within the meaning of section 2(1) of the Reserve Bank of New Zealand Act 1989)
<input type="checkbox"/>	the client is a non-bank deposit taker (within the meaning of section 5 of the Non-bank Deposit Takers Act 2013)
<input type="checkbox"/>	the client is a licensed insurer (within the meaning of section 6(1) of the Insurance (Prudential Supervision) Act 2010)
<input type="checkbox"/>	the client is a manager of a registered scheme, or a discretionary investment management service, that holds a market services licence
<input type="checkbox"/>	the client is a derivatives issuer that holds a market services licence issued under Part 6 of the FMCA NZ
<input type="checkbox"/>	the client is a qualifying financial entity (within the meaning of section 5 of the Financial Advisers Act 2008) or an authorised financial adviser.

<input type="checkbox"/> <b>The client meets the investment activity criteria (clause 3(2)(b))</b>	
Grounds for claiming the client is within this type:	
<input type="checkbox"/>	the client (including any entity that the client controls or controlled at the relevant time) owns, or at any time during the two-year period before the date of this certificate has owned, a portfolio of financial products (excluding category 2 products, interests in KiwiSaver or any other form of retirement scheme, or financial products issued by an associated person of the client) of a value of at least NZ\$1 million (in aggregate)
<input type="checkbox"/>	the client (including any entity that the client controls or controlled at the relevant time) has, during the two-year period before the date of this certificate, carried out one or more transactions to acquire financial products (excluding category 2 products, interests in KiwiSaver or any other form of retirement scheme, or financial products issued by an associated person of the client) where the amount payable under those transactions (in aggregate) is at least NZ\$1 million, and the other parties to the transactions are not associated persons of the client
<input type="checkbox"/>	the client is an individual who has, within the last 10 years before the date of this certificate, been employed or engaged in an investment business and has, for at least two years during that 10-year period, participated to a material extent in the investment decisions made by the investment business.

<input type="checkbox"/> <b>The client is large (clause 3(2)(c))</b>	
Grounds for claiming the client is within this type:	
<input type="checkbox"/>	as at the last day of each of the two most recently completed financial years of the client before the date of this certificate, the net assets of the client and any entities controlled by the client exceeded NZ\$5 million
<input type="checkbox"/>	in each of the two most recently completed financial years of the client before the date of this certificate, the total consolidated turnover of the client and any entities controlled by the client exceeded NZ\$5 million.

The client undertakes to provide Equity Trustees Limited with any information it reasonably requests in order to support the certifications provided.

The client acknowledges that this certificate is provided to Equity Trustees Limited and BNP Paribas Asset Management for the purposes of determining the client's eligibility to be treated as a wholesale investor for the purposes of the FMCA, and that they will be reliant upon the certifications provided in offering financial products or services to the client (whether as part of the Trust or otherwise).

The client understands that this certificate is valid and may be relied upon by Equity Trustees Limited and BNP Paribas Asset Management for a period of two years following its date, unless earlier revoked.

Name of client

Account number

## SIGNATURES

### Signing instructions

All individuals/trustees/partners/offices and two directors must sign

Signature of Individual/Join/Trustee/Director

Please print full name

Capacity

Date (DD/MM/YYYY)

 /  / 

Signature of Individual/Join/Trustee/Director

Please print full name

Capacity

Date (DD/MM/YYYY)

 /  / 

Signature of Individual/Join/Trustee/Director

Please print full name

Capacity

Date (DD/MM/YYYY)

 /  /