



Product Disclosure Statement

ALLAN GRAY AUSTRALIA EQUITY FUND - CLASS A

1 OCTOBER 2020

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Product Disclosure Statement

ALLAN GRAY AUSTRALIA EQUITY FUND – CLASS A



WHAT IS THIS DOCUMENT?

This **Product Disclosure Statement** (PDS) dated 1 October 2020 is a summary of significant information regarding Class A units in the Allan Gray Australia Equity Fund. It contains a number of references to important information in the Allan Gray Information Booklet that forms part of this PDS. You can access the Information Booklet on the Allan Gray website (allangray.com.au) or request a copy free of charge by calling us on 1300 604 604. You should consider these documents before making a decision about the Fund.

In this PDS, a reference to units in the Fund is a reference to Class A units in the Fund.

The information in these documents is of a general nature only and does not take into account a person's personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances before investing in the Fund.

This PDS is intended for investors primarily residing in Australia. If you are not resident in Australia, it is your responsibility to comply with the laws of where you are from or living if you decide to invest in the Fund.

The Fund has been approved under section 65 of the Collective Investment Schemes Control Act 2002 and can be promoted in South Africa. The Fund may also be offered to New Zealand investors under Subpart 6 of Part 9 of the Financial Markets Conduct Act 2013. Before investing, South African and New Zealand investors must read the additional information document for their jurisdiction.

US persons are not generally permitted to invest in the Fund. However, we will accept applications from US persons who are genuine residents of Australia, New Zealand or South Africa. The Fund is not a recognised or authorised collective investment scheme for the purpose of the United Kingdom's Financial Services and Markets Act 2000 and is not marketed in the European Economic Area (EEA). Residents in the EEA can only invest under certain circumstances as determined by, and in compliance with, applicable law.

We may update this PDS with changes that are not materially adverse via disclosure on our website.

1. ABOUT EQUITY TRUSTEES LIMITED

Equity Trustees Limited (Equity Trustees)

Equity Trustees is the Fund's responsible entity and issuer of this Product Disclosure Statement. Equity Trustees was established in 1888 by an Act of Victorian Parliament to provide trustee and executor services. It has evolved into a diversified financial services provider offering a broad range of products and services to a large client base. Equity Trustees' responsibilities and obligations as the Fund's responsible entity are governed by the Fund's Constitution, the Corporations Act 2001 (Cth) and general trust law. Equity Trustees has appointed a custodian to hold the assets of the Fund. The custodian has no supervisory role in relation to the operation of the Fund.

Allan Gray Australia Pty Limited (Allan Gray)

Equity Trustees has appointed Allan Gray to invest and manage the Fund's assets according to the investment guidelines in this PDS.

The Allan Gray investment philosophy is to take a contrarian approach, apply it consistently and invest for the long term. This approach was started by Dr Allan Gray who founded Allan Gray Ltd in Cape Town in 1973. Allan Gray in Australia and globally are privately owned and share the same investment philosophy. In Australia, Allan Gray was established in 2005.

The Allan Gray investment approach

- **Contrarian** – we take a contrarian approach to investing by resisting popular trends and uncovering opportunities in areas where nobody else is looking.
- **Long-term** – we take a long-term view. We are willing to look through short-term noise and wait for an investment's value to be realised. In a competitive market, practicing patience can give you a distinct advantage.
- **Fundamental** – we concentrate on understanding an investment's intrinsic value, and the fundamentals that determine value, rather than trying to forecast the next price move.

Learn more at allangray.com.au

2. HOW THE ALLAN GRAY AUSTRALIA EQUITY FUND WORKS

The Allan Gray Australia Equity Fund is a managed investment scheme (also known as a unit trust) which allows you to pool your money with other investors. The Fund is registered with the Australian Securities and Investments Commission (ASIC). Allan Gray has been appointed to manage this pooled money in accordance with the investment guidelines set out in section 5 'How we invest your money'.

Interest that members acquire

When you invest, you buy Class A units in the Fund and become a member or unit holder. These units give you a beneficial interest in the Fund. You do not, however, have any entitlement to any particular part of the Fund or its assets and you are not entitled to participate in the management or operation of the Fund (except through investor meetings). Your return will mirror the return of the Fund's underlying investments, after expenses.

There are several ways to invest in the Fund:

- by completing the application form attached to this PDS or online (see section 8 'How to apply')
- through a platform that offers the Fund as an investment option (see section 1.7 of the Information Booklet), or
- through your stockbroker via mFund (see section 1.10 of the Information Booklet).

Pricing of the Fund

Units in the Fund are priced daily based on Class A's share of the Fund's net asset value. The price of the units will vary as the market value of the Fund's assets rise or fall.

When you invest in the Fund, you will be allocated units at

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the Class A application (entry) price for the Business day on which we process your application. When you redeem (withdraw), we will redeem your units at the Class A redemption (exit) price for the Business day on which we process your redemption request. The application and redemption price has a buy/sell spread of 0.20% of the cost of a unit built in. The buy/sell spread is designed to protect existing investors by ensuring that those who invest in, or redeem from, the Fund cover the cost of buying or selling the Fund's underlying securities.

Income distribution frequency and calculation

The Fund intends to distribute its distributable income (if any) on 30 June each year. The Fund's Constitution allows the Fund to make additional distributions.

What is an income distribution?

An income distribution is the payment of the Fund's distributable income to investors. It may include interest,

dividends, and realised capital gains. Your distribution is the sum of your proportional entitlement to the Fund's distributable income and will be different from year to year.

Distribution options

You can choose to have your distributions reinvested in the Fund or credited directly to your nominated Australian bank account. If you do not make an election or do not have an Australian bank account, your distributions will be automatically reinvested. Distribution payments to the nominated bank account are generally made within 10 Business days after the end of the distribution period. Unless otherwise agreed, no buy/sell spread applies on distributions that are reinvested.

Before investing in the Fund, New Zealand investors must read the 'Fund Information for New Zealand investors' document, which provides more information about how the Fund's distribution reinvestment terms apply to you.

Minimum investment and redemption amounts and the cut-off times for processing transactions

Initial investments	First time investors can either: <ul style="list-style-type: none">Invest AUD 10,000 or more in one lump sum; orInvest AUD 500 or more every month with a regular savings plan. See section 8 'How to apply'.
Additional investments	Minimum of AUD 1,000 and/or at least AUD 500 per month through the regular savings plan. See section 8 'How to apply'.
Redemption	There is no minimum ad-hoc redemption amount. If you are redeeming via a regular redemption plan, a minimum of AUD 500 per month applies. We normally pay redemption proceeds within seven Business days after receipt of a valid redemption request. Under some circumstances, such as if there is a freeze on redemptions, you may not be able to redeem from the Fund when you wish to.
Processing applications or redemptions (cut-off times)	If we receive all required application or redemption documents before or at 2pm (Sydney time) on a Business day, we will process the transaction using that day's application or redemption price. Requests received after 2pm (Sydney time) on a Business day or non-Business day will generally be treated as having been received before the cut-off time on the next Business day. Different cut-off times apply if you are transacting via mFund. Please contact Client Services or your stockbroker for more information. See section 8 'How to apply'.

You should read the important information about:

- (1) your general rights and obligations, the Fund's Constitution and our responsibilities, and
- (2) investing, managing and redeeming your investment, in the Information Booklet before making a decision.

Go to allangray.com.au/documents/infobook.pdf for a copy of the Information Booklet. The material relating to your rights and obligations dealing with the acquisition and disposal of units may change between the time when you read this PDS and the day when you acquire units in the Fund.

3. BENEFITS OF INVESTING IN THE ALLAN GRAY AUSTRALIA EQUITY FUND

Please consider whether the expected Fund characteristics below suit your investment needs and if you are comfortable with the risks of investing in the Fund. If you are in any doubt, please seek professional advice before investing.

Significant features of the Fund

Fully invested

The Fund aims to be fully invested in the Australian sharemarket so that there are no prolonged periods where it will hold more than 10% of its assets in cash.

Access to a time-tested, contrarian investment approach

The Fund adopts a contrarian investment approach which sees it going against current market trends, buying an investment that offers long-term value when it's undervalued

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in a less optimistic environment, then selling it when the market recognises the investment's potential and it reprices. By investing for the long term, we look past the short-term market noise and wait patiently for a security's value to improve.

Allan Gray believes bottom-up research is key to finding true value. We do not rely on macro forecasting or third parties. Rather, our team of analysts undertakes its own rigorous research into each individual company to find hidden value for the Fund.

Benchmark-unaware and high conviction

Allan Gray will not buy a security simply because it is in the S&P/ASX 300 Accumulation Index (Benchmark) – it has to offer value as an investment. Allan Gray will also buy significant positions in securities that it believes may offer outstanding value even if these securities are not in the Benchmark.

Defined investment restrictions

The Fund has detailed investment restrictions/limits. The Fund is unable to purchase investments that are outside these restrictions.

Focused on the longer term

In a competitive market it is difficult to have an edge. Focusing on the long term and being patient is one of the few advantages that we believe will endure. Not many investors can be patient and wait for value to emerge, as they respond to pressure to generate 'instant' performance. The Fund seeks to look past the short-term noise and wait patiently for the value in Allan Gray's selected securities to be recognised by the market. In this way, the Fund's investments often have a long-term focus of five to ten years.

You should read the important information about other features of the Fund in the Information Booklet before making a decision.

Go to allangray.com.au/documents/infobook.pdf for a copy of the Information Booklet. The material relating to the Fund's other features may change between the time when you read this PDS and the day you acquire units in the Fund.

Significant benefits of the Fund

1. To increase long-term outperformance potential by investing differently

If you invest in the same securities as the majority of investors at the same time, it is by definition almost impossible to outperform the market. The Fund looks to buy Australian securities when others are selling, and sell when others are buying. This can give the Fund an edge, as it can face less competition and pay a lower price for securities that are out of favour with the broader investment community.

2. To improve the opportunity of upside

Taking a contrarian approach can improve the Fund's chance of paying a lower price and therefore achieving a better-than-average return. By looking in unpopular areas of the market, the Fund may uncover compelling opportunities.

3. To reduce the risk of permanent loss of capital

Conversely, speculative overoptimism can drive share prices

way above fair value, increasing the risk of paying inflated prices and potential permanent loss of capital. By investing independently of popular market sentiment, a contrarian approach can potentially help the Fund reduce the risk of overpaying.

4. RISKS OF MANAGED INVESTMENT SCHEMES

All investments carry risk. Different investment strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risks. This page highlights the significant risks you should consider when deciding whether to invest in the Fund. You may want to consider these risks in light of your risk profile. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets, and your risk tolerance.

We do not guarantee the liquidity of the Fund's investments, an investment in the Fund, repayment of capital or any rate of return, or the Fund's investment performance. You may lose money by investing in the Fund or your investment in the Fund may not meet your objectives.

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

Sharemarket and individual investment risks

Sharemarkets and investments are generally volatile. As the Fund aims to be fully invested, the value of your investment in the Fund may fluctuate with the sharemarket. In addition, losses for the Fund may also not be linked to the sharemarket's overall returns. Such losses can arise for reasons specific to a company (e.g. a change in management) or if Allan Gray makes investment decisions resulting in poor returns.

Fund risk

The Fund could terminate, laws affecting registered managed investment schemes may change in the future, Equity Trustees or Allan Gray could become insolvent, and the fees and expenses could materially change. Investing in the Fund may give different results than investing directly in securities because of income or capital gains accrued in the Fund and because of investors redeeming from the Fund.

Liquidity risk

The Fund may, at times, buy securities which have limited levels of liquidity. Abnormal or difficult market conditions, inadequate market depth or disruptions to financial markets may result in normally liquid assets becoming illiquid or less liquid. As such, it may not be possible to sell the Fund's investments in time to pay unexpected large redemptions or there could be a significant delay before redemptions are paid. The ability to redeem may be suspended in the interests of all the investors in the Fund, even if other assets of the Fund may be readily sold.

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Contractual risk

The Fund's counterparties may default on a transaction or the Fund's custodian may become insolvent. If this occurs, there may be additional costs or time delays associated with settling a transaction or appointing another custodian. This may have an effect on your ability to invest in, or redeem from, the Fund.

Derivatives risk

The Fund's derivatives exposure is predominantly limited to buying ASX-listed futures contracts to maintain the Fund's exposure to the ASX pending a decision on how to invest the Fund's cash. Trading in futures contracts does expose the Fund to the following risks:

- the loss of value because of a sudden price move
- potential illiquidity of the futures contract, or
- the inability of the Fund or the counterparty to meet margin payments.

Key personnel risk

The Fund depends on the expertise of Allan Gray and its employees. The Fund's performance could be negatively affected if Allan Gray does not retain key employees.

5. HOW WE INVEST YOUR MONEY

Fund investment profile

Benchmark

S&P/ASX 300 Accumulation Index.

Investment objective

To seek long-term returns that are higher than the Benchmark.

Investment exposure

Predominantly Australian listed securities.

Investment approach

The Fund employs the Allan Gray contrarian investment philosophy to search for ASX investments based on defined investment restrictions (see Asset allocation below).

Asset allocation

Allan Gray will implement the above strategy by adhering to the following investment restrictions. These restrictions are measured at a Fund level, and not at a class level.

1. Weights	The Fund's weight for a specific share shall not exceed that share's weight in the Benchmark by more than 10 percentage points.
2. Holdings	The Fund will not hold more than 10% of a company's issued voting shares.
3. Listed securities	No more than 10% of the Fund's net asset value may be invested in securities which are not traded on or under the rules of a sharemarket, and only where there is an expectation that the securities will be listed or convertible into listed securities within 12 months of acquisition.
4. Exposure	Allan Gray may not actively reduce the effective share exposure to below 90% of the Fund's net asset value.
5. No leverage	The effective share exposure shall not exceed 100% of the Fund's net asset value.
6. Options	No more than 5% of the Fund's net asset value may be invested in call options.
7. Derivatives	The Fund may invest no more than 10% of its net asset value in listed futures contracts for the primary purpose of managing liquidity and only if the underlying exposure is fully covered by cash or money market instruments.
8. Borrowing	The Fund has never borrowed and cannot borrow unless it is to meet unexpected large redemptions. Borrowing is limited to 10% of the Fund's net asset value and must be repaid within 90 days.
9. Investment grade	Any investment by the Fund in interest-bearing non-equity linked securities is restricted to Investment Grade Securities.

Investor profile

Before you invest, you should consider the likely investment returns, the risk and your investment time frame.

Minimum suggested time frame

More than five years.

Risk level

High risk.

Investor suitability

The Fund may be suitable for investors:

- looking for a contrarian investment style exposure to the Australian sharemarket
- who are able to take a long-term view, and
- who can endure performance fluctuations.

Investment restrictions

Allan Gray is permitted to make an investment which is not consistent with the investment restrictions if Equity Trustees and Allan Gray agree that the investment is not a material departure from the investment restrictions.

6. FEES AND COSTS

Did you know?

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

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For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from AUD 100,000 to AUD 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 (moneysmart.gov.au) has a managed fund calculator to help you check out different fee options.

The table below shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns of your investment or from the Fund's assets as a whole. See Section 7 on 'How managed investment schemes are taxed'. You should read all the information about fees and costs because it is important to understand the impact on your investment.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the Fund		
Establishment fee (the fee to open your investment)	Nil	Not applicable
Contribution fee (the fee on each amount contributed to your investment)	Nil	Not applicable
Withdrawal fee (the fee on each amount you take out of your investment)	Nil	Not applicable
Exit fee (the fee to close your investment)	Nil	Not applicable
Management costs[†]		
The fees and costs for managing your investment	The Fund's management costs consist of: <ul style="list-style-type: none"> • Base fee: 0.75% (0.77% including GST net of RITC) of the Fund's net asset value. • Performance fee: 20% (20.5% including GST net of RITC) of the Fund's outperformance, net of the Base fee, in comparison to its Benchmark. A performance fee is only payable where the Fund's outperformance exceeds the high water mark, which represents the highest level of outperformance, net of base fees, since the Fund's inception. • Indirect costs: nil 	<ul style="list-style-type: none"> • Base fee: Calculated and accrued daily and paid monthly. • Performance fee: Calculated and accrued daily and paid monthly. • All fees and costs are paid out of the Fund's assets.
Services fees		
Switching fees (fees for changing funds)	Nil	Not applicable

[†] Management costs are not negotiable.
Additional fund expenses and stockbroker fees may apply (see below).

Management costs

Base fees and Performance fees are calculated and accrued daily and paid monthly. It is not possible to estimate the Performance fee payable in any given year, as we cannot forecast the performance of the Fund. As an indication, based on performance experienced by the Fund in periods since its inception, Equity Trustees has estimated that the Performance fee payable per annum may be AUD 170 assuming an annual account balance of AUD 50,000 during the year. Actual Performance fees for current and future years may differ and may not be payable at all if the Fund underperforms its Benchmark for a relevant period.

Fund expenses and transactional costs

Allan Gray has agreed to pay fees charged by the Fund's responsible entity, independent custodian and administrator as well as customary professional fees incurred by the Fund on a day-to-day basis from the fee it receives from the Fund.

Aside from the Management costs, investors may bear certain extraordinary and unusual expenses incurred on behalf of the Fund from time to time, such as the cost of litigation.

In addition, Management costs do not include transactional and operational costs, being costs associated with the buying and selling of investments for the Fund. Costs such as

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brokerage, settlement costs, clearing costs, stamp duty and implicit trading costs are generally incurred in connection with day-to-day trading for the Fund or when there are applications into or redemptions from the Fund. Transactional costs are reflected in the Fund's unit price.

During the financial year ending 30 June 2020, the total estimated transaction costs for the Fund did not exceed the amount of the buy/sell spread received by the Fund. This is because we trade patiently and seek to minimise transaction costs. However, these costs may vary greatly in future years because the turnover in the underlying assets may change substantially as investment and market conditions change. This may in turn affect the level of transaction and operational costs not covered in the buy/sell spread.

Buy/sell spread

The Fund's buy/sell spread of 0.20% of the cost of a unit is designed to cover the estimated transaction costs incurred by the Fund in buying or selling assets when you invest or redeem. The dollar value of these costs, based on an application or redemption of AUD 50,000, is AUD 100 for each individual transaction.

No buy/sell spread applies if you switch your investment between different classes of units in the Fund.

Financial adviser fees

You may elect to have the Fund pay your financial adviser a fee from your investment in the Fund. This may be:

- a contribution fee of up to 2% when you invest in the Fund, and/or

- an ongoing fee of up to 1% p.a.

We cannot pay fees to your financial adviser if you invest via mFund.

NOTE: The financial adviser you consult may charge you additional fees. Please refer to the adviser's statement of advice.

Changes to fees

We will give you at least 30 days' prior notice of any proposal to increase Management costs. We may also reduce or waive these fees for certain sophisticated, professional or wholesale investors. Any such arrangement will comply with all applicable regulatory (ASIC) requirements.

Allan Gray will provide Base fee rebates to each investor holding units in the Fund with a net asset value of at least AUD 50 million, as follows:

- a significant holdings rebate of 0.25% per annum of the investor's net asset value in the Fund, and
- a long-term investor rebate of 0.05% per annum of the investor's net asset value, where the investor has been invested in or intends to invest in the Fund for at least 5 years.

These rebates are provided by way of additional units in the Fund and do not apply to investors that already receive a product (shelf) fee from Allan Gray.

Stockbroker fees

If you are investing via mFund, your stockbroker (and not the Fund) may charge you a brokerage fee. Please consult your stockbroker or consider their Financial Services Guide.

Example of annual fees and costs

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

EXAMPLE		BALANCE OF AUD 50,000 WITH A CONTRIBUTION OF AUD 5,000 DURING THE YEAR
Contribution fee	Nil	For every additional AUD 5,000 you put in, you will be charged AUD 0.
PLUS Management costs	1.11%†	And for every AUD 50,000 you have in the Fund you will be charged AUD 555 each year. This comprises a Base fee of AUD 385 and a Performance fee of AUD 170.
EQUALS cost of fund		If you had an investment of AUD 50,000 at the beginning of the year and you put in an additional AUD 5,000 during that year, you would be charged fees from AUD 555*. What it costs you will depend on the fees you negotiate with your financial adviser‡.

† The Management costs example is based on the average annual return of the Class relative to the Benchmark since the Class' launch in 2006 to give a better indication of the amount that could be paid. In practice, fees charged will differ from the above due to fluctuations in the value of your investment, timing of contributions, whether a performance fee is earned, and the extent of the Fund's outperformance (if any), returns and compounding.

* These examples assume the AUD 5,000 additional contribution occurs at the end of the first year, therefore management costs are calculated on the AUD 50,000 investment.

‡ Additional costs may apply. For example, financial advisers may charge you fees to facilitate an investment in the Fund. Please refer to the adviser's statement of advice. The Fund, Equity Trustees and Allan Gray do not receive any of these fees.

7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

Investing in a registered managed investment scheme (such as the Fund) is likely to have tax consequences. You are strongly advised to seek your own professional tax advice before investing in the Fund. The Fund is an Australian resident for tax purposes and does not pay tax on behalf of its

investors. Australian resident investors are assessed for tax on any income and capital gains generated by the Fund.

The Fund has been treated as an Attribution Managed Investment Trust since the 2016/2017 income year. Investors receive a tax statement at the end of each income year specifying the nature of any amounts attributed. This statement also highlights any adjustments you should make

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to the cost base of the units you hold due to distributions from the Fund and income attributed.

8. HOW TO APPLY

How to make an initial investment

- Invest online: visit allangray.com.au/equityfund, click on 'Invest now' and follow the instructions, or
- Complete the application form accompanying this PDS, as well as the customer identification form. Identification documents are needed to comply with Australia's AML/CTF laws.
 - Post the original application, identification forms and relevant identification documents to the Allan Gray Funds Unit Registry, GPO Box 804, Melbourne VIC 3001.
 - Transfer the application money electronically to the Fund. The Fund only accepts application money in Australian dollars, or
- Invest through a stockbroker via mFund or through a platform. To do so, you will need to provide certain identification documents and the application money to your stockbroker or the platform operator instead of directly to the Fund. Additional fees may apply. Please contact your stockbroker or the platform operator for more information.

How to make an additional investment

- Visit allangray.com.au/equityfund, click on 'Investor top up' and follow the instructions, or
- Complete an additional investment form, available from allangray.com.au, and follow the instructions on the form, or
- Invest through your stockbroker via mFund or through your chosen platform, or
- Transfer the application money via BPAY® and let us know you have done so (see section 3.3 of the Information Booklet).

Sending your application and redemption forms and any other forms or documents to us by post, fax, email or over the internet means you agree to the Instruction Terms set out in section 3.6 of the Information Booklet.

Cooling-off rights and complaints

If you are a retail client (as defined in the Corporations Act) and invested directly in the Fund (including via mFund), you have up to 19 days from the day you receive the investment confirmation for your investment to be repaid. The amount you receive will reflect the movement (up or down) in the Fund's unit price and may have tax implications for you.

If you wish to make a complaint please write to Equity Trustees' compliance team or call +61 3 8623 5000.

You should read the important information about:

- (1) your general rights and obligations, the Fund's Constitution and our responsibilities, and
- (2) investing, managing and redeeming your investment, in the Information Booklet before making a decision.

Go to allangray.com.au/documents/infobook.pdf for a copy of the Information Booklet. The material relating to your rights and obligations dealing with the acquisition and disposal of units may change between the time when you read this PDS and the day when you acquire units in the Fund.

IMPORTANT NOTICES

In this document:

'AML/CTF' means Anti-Money Laundering and Counter-Terrorism Financing.

'ASX' means the Australian Securities Exchange operated by ASX Limited.

'Benchmark' means the S&P/ASX 300 Accumulation Index.

'Business day' means a day (other than Saturday, Sunday or a public holiday) on which banks are open for business in Sydney.

'Fund' means the Allan Gray Australia Equity Fund, ARSN 117 746 666, and for Class A units in the Fund, APIR code ETL0060AU.

'Investment Grade Securities' means corporate debt (listed or to be listed within 12 months on the ASX), negotiable certificates of deposits, bank bills and other cash like instruments that have a credit rating determined by Allan Gray and Equity Trustees or as provided by a reputable credit ratings agency, such as Standard & Poors, Moody's or Fitch Ratings or their successors.

'mFund' means a settlement service of the ASX that allows you to apply for or redeem units in the Fund. This service does not allow you to buy or sell units in the Fund on the ASX, like you could do with an ASX listed security.

'RITC' means Reduced Input Tax Credits that, where claimed, reduce the GST cost borne by the Fund.

'US persons' is defined in the Information Booklet.

'We', 'us' or 'our' refers to Equity Trustees Limited ABN 46 004 031 298, AFSL No 240975, as the Fund's responsible entity and issuer of this PDS and Allan Gray Australia Pty Ltd, ABN 48 112 316 168, AFSL No 298487, as the Fund's investment manager, unless the context requires otherwise.

'You' or 'your' refers to investors in the Fund and where the context requires, prospective or new investors to the Fund.

CLIENT SERVICES

Tel (within Australia)
1300 604 604
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INVESTMENT MANAGER

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RESPONSIBLE ENTITY AND ISSUER

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eqt.com.au

Fund information for New Zealand investors

ALLAN GRAY
CONTRARIAN INVESTING


■ ALLAN GRAY AUSTRALIA EQUITY FUND - CLASS A 1 OCTOBER 2020

SHOULD YOU REQUIRE ANY ASSISTANCE PLEASE CONTACT US:

 1300 604 604 (within Australia)

 clientservices@allangray.com.au

 +61 2 8224 8604 (outside Australia)

 allangray.com.au

About this document

This document contains important information for New Zealand investors about the Allan Gray Australia Equity Fund – Class A units (the Fund). You should read this document and the accompanying Product Disclosure Statement (PDS) for the Fund before investing.

Warning statement

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

Fund information for New Zealand investors



Distributions

New Zealand investors can only have their distributions reinvested, except where they nominate an Australian bank account in their name to receive cash distributions. When a distribution is reinvested, New Zealand investors will be issued units in accordance with the terms and conditions set out in the PDS relating to Class A units in the Fund. Please see the PDS for a description of distributions and the terms and conditions of reinvestment.

The annual report and financial statements of the Fund contain information you may find useful in connection with your ongoing distribution reinvestment. You can obtain a copy of the most recent annual report and financial statements of the Fund, and the accompanying auditor's report, free of charge by contacting the Responsible Entity or the Allan Gray Client Services team. These documents may also be obtained electronically from eqt.com.au

Allan Gray Client Services

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