

11 December 2023

Dear Investor,

### **PROPOSED CHANGES TO CLAREMONT GLOBAL FUND AND CLAREMONT GLOBAL FUND (HEDGED)**

Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975) is the responsible entity and product issuer of the Claremont Global Fund (ARSN 166 708 792, EAP03) and Claremont Global Fund (hedged) (ARSN 166 708 407, EAP01) (together, the "Funds"). Claremont Funds Management Pty Ltd (ACN 649 280 241, CAR 128920) is the investment manager of the Funds.

We are pleased to share some forthcoming changes to the Funds. The Issuer and the Manger are proposing to transition the Funds to become exchange traded managed funds ("ETMFs") quoted on the Australian Securities Exchange ("ASX"). An application has been made to the ASX to admit the Units in the Funds to be quoted on the ASX. Once the Funds have been accepted on the ASX, their units can be traded on the ASX like any other quoted security.

#### **What do you need to do?**

There is no action required by you. Your investment and holding will not be impacted by the Funds becoming ETMFs.

It is important to note that there will be no change to the objective or strategy of the Funds upon transition to ETMFs. Additionally, there are some significant differences in how investors can transact in the Funds. We have highlighted these in **Appendix 1**.

Holders who have entered the Funds directly via the PDS and hold their units on the issuer sponsored sub-register under a Securityholder Reference Number ("SRN") will continue to hold their units on the SRN, and will not be impacted by changes to mFund Settlement Service or the structures set up for the quoted units (iNAV calculation etc). After quotation, these holders may choose to transfer their units from their SRN to an account on the CHES sub-register under a Holder Identification Number ("HIN"). See "Can I transfer between an SRN and a HIN?" below for further details.

#### **Removal from the mFund Settlement Service**

The Issuer has requested, and the ASX have subsequently granted in-principle approval for, the removal of the Funds from the mFund Settlement Service to facilitate the transition of the Funds to become ETMFs admitted to Trading Status on the ASX under the AQUA Rules.

The approval is subject to and conditional upon ASX granting approval for admission of the Funds to Trading Status on the ASX.

#### **Consequences of removal from the mFund Settlement Service**

mFund investors can sell their units on the mFund Settlement Service before the launch of the Funds as ETMFs. Prior to the launch of the ETMFs, mFund investors should note that there will be a blackout period whereby access to mFunds to buy and sell units will be suspended. We will provide actual dates in an updated announcement once the dates for the blackout period are confirmed.

Following the blackout period, it is anticipated that the Funds will launch as ETMFs in Q1 of 2024, subject to ASX approval of the admission of the ETMFs to Trading Status. Any remaining units held on the mFund after the blackout period will automatically convert to quoted units, with fractional amounts rounded down to nearest whole unit. Investors may redeem their holdings on exchange once the Funds have launched and commenced trading as ETMFs.



### Dual access mechanism

If ASX grants approval for the admission of the ETMFs to Trading Status, holders will have the option to buy and sell units in the Funds either on the ASX through your broker (on-market) or directly with the Fund via the registry (off-market). Please refer to **Appendix 1** below for a comparison of transacting on-market and off-market.

### Can I transfer between an SRN and a HIN?

If your Units are held directly with the Funds on the issuer sponsored sub-register (SRN) and you wish to convert or transfer your Units to a CHESSE sub-register (HIN), you will need to provide your broker with your SRN. Investors will be sent their SRN details from the Registry via their preferred correspondence method before quotation date. You are only able to convert or transfer whole Units and any residual Units will be cancelled and become assets of the Funds.

If your Units are held in an account with your broker on the CHESSE sub-register (HIN) you may wish to transfer your Units to another HIN or to transfer or to convert your Units to an account directly with the Funds on the issuer sponsored sub-register (SRN). The Registry will process transfer of Units for investors on receipt of a completed original standard transfer form.

### iNAV

An indicative net asset value ("iNAV") is a measure of the intraday net asset value of the Funds. The iNAV will be published throughout the ASX Trading Day at 15 second intervals. The iNAV will be updated using a real time fair value methodology that seeks to ensure that the iNAV reflects movements in sharemarkets and currencies during the ASX Trading Day and, for securities not trading during the ASX Trading Day, quoted proxy instruments selected based on correlations with the underlying investments. The proxies and their correlations with underlying instruments are reviewed regularly and updated as required.

### External market making

An external market maker will provide liquidity to investors on the ASX by acting as a buyer and seller of units in the Funds. At the end of each day the market maker will create or cancel units by applying for or redeeming its position in units bought or sold on the ASX.

### Indicative timetable for removal from mFund

An indicative timetable of the removal of the Funds from the mFund Settlement Service is set out below. This is an indicative timetable only and an updated timetable will be provided closer to the launch date.

Step	Description	Date
1.	Last application/redemption date through mFund Settlement Service	Friday, 12 January 2024
2.	Blackout period	Monday, 15 January 2024 – Friday, 19 January 2024
3.	mFund removal date	COB Friday, 19 January 2024



4. Launch date

Tuesday, 23 January 2024

Should you have any questions regarding this letter, please do not hesitate to contact Claremont Funds Management via phone on 1300 684 537 or via email at [contact@claremontglobal.com.au](mailto:contact@claremontglobal.com.au).

Yours sincerely,

A blue ink handwritten signature, appearing to read 'Russell Beasley', written over a light blue horizontal line.

Russell Beasley  
Deputy Executive General Manager  
Fund Services

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## APPENDIX 1

See below key differences between Units transacted on the ASX and Units transacted directly with the Administrator

	BUYING UNITS ON THE SECURITIES EXCHANGE	APPLYING FOR UNITS DIRECTLY WITH THE RESPONSIBLE ENTITY
How do I make an investment in the Funds?	<p>Once the Units are quoted on the ASX, investors can invest in the Funds by purchasing Units via their trading platform or stockbroker.</p> <p>Investors do not need to complete an Application Form and they will settle the purchase of their Units in the same way they would settle purchases of quoted securities via the ASX CHESS settlement service.</p>	<p>You can acquire Units by completing the Application Form that accompanies the PDS.</p> <p>If we receive a correctly completed Application Form, identification documents (if applicable) and cleared application money before or at 2pm (Sydney time) on a Business Day and your application for Units is accepted, you will generally receive the Application Price calculated for that Business Day.</p>
What is my entry price when I make an investment in the Funds?	<p>An investor's entry price into the Funds will be the price at which they have purchased Units on the ASX.</p> <p>Investors buying or selling Units on the ASX will receive transaction confirmations from their stockbroker.</p> <p>Investors will incur customary brokerage fees and commissions when buying and selling the Units on the ASX. Investors should consult their stockbroker for more information in relation to their fees and charges.</p>	<p>The price at which Units are acquired is determined in accordance with the Constitution ("Application Price").</p> <p>The Application Price on a Business Day, is in general terms, equal to the NAV of the Class, divided by the number of Units on issue and adjusted for transaction costs ("Buy Spread").</p> <p>As at the date of this PDS, the Buy Spread is 0.10%.</p>

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	<b>BUYING UNITS ON THE SECURITIES EXCHANGE</b>	<b>APPLYING FOR UNITS DIRECTLY WITH THE RESPONSIBLE ENTITY</b>
<b>Is there a minimum number of Units I need to purchase?</b>	There is no minimum number of Units investors can buy on the ASX.	<p>The minimum initial investment amount to invest in for the Funds directly is \$20,000.</p> <p>The minimum additional investment amount to invest in the Funds directly is \$1,000.</p>
<b>How do I withdraw my investment?</b>	Investors can withdraw from the Funds by selling Units on the ASX via their stockbroker. Investors do not need to complete a withdrawal form and they will receive the proceeds from the sale of their Units in the same way they would receive proceeds from the sale of quoted securities via the ASX CHESS settlement service.	<p>Investor's in the Funds can generally withdraw their investment by completing a written request to withdraw from the Funds. To withdraw, you must hold your Units on the Fund's issuer sponsored sub-register and provide your SRN.</p> <p>If we receive a withdrawal request before or at 2pm (Sydney time) on a Business Day and your withdrawal request is accepted, you will generally receive the Withdrawal Price calculated for that Business Day.</p>



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	<b>BUYING UNITS ON THE SECURITIES EXCHANGE</b>	<b>APPLYING FOR UNITS DIRECTLY WITH THE RESPONSIBLE ENTITY</b>
<b>At what price can I sell my Units in the Funds?</b>	<p>An investor's exit price will be the price at which they have sold Units on the ASX.</p> <p>Investors will incur customary brokerage fees and commissions when buying and selling the Units on the ASX. Investors should consult their stockbroker for more information in relation to their fees and charges.</p>	<p>The price at which Units are withdrawn is determined in accordance with the Constitution ("Withdrawal Price")</p> <p>The Withdrawal Price on a Business Day is, in general terms, equal to the NAV of the Fund, divided by the number of Units on issue and adjusted for transaction costs ("Sell Spread"). At the date of this PDS, the Sell Spread is 0.10%.</p> <p>The Withdrawal Price will vary as the market value of assets in the Fund rises or falls.</p>
<b>Is there a minimum number of Units I need to withdraw?</b>	<p>There is no minimum number of Units investors can sell on the ASX.</p>	<p>The minimum withdrawal amount is \$1,000 and the minimum account balance is \$20,000.</p>