

19 October 2016

Important notice pursuant to section 601GCA of the *Corporations Act 2001* (Cth)

Fundhost Limited (ABN 69 092 517 087, AFSL 233045) (**Fundhost**) is the responsible entity of the Montaka Global Access Fund (ARSN 607 245 643) (**Fund**). Montgomery Global Investment Management Pty Ltd (ABN 62 604 878 533, CAR 001007050 of AFSL 354564) (**Manager**) is the investment manager of the Fund.

A new tax regime applying to managed investment trusts (which includes the Fund) was recently enacted by the *Tax Laws Amendment (A New Tax System for Managed Investment Trusts) Act 2016* (Cth) (the **AMIT Regime**). Fundhost, in consultation with the Manager, proposes to elect that the AMIT Regime applies to the Fund for the income year commencing 1 July 2016. Before doing so, Fundhost proposes to amend the constitution of the Fund so that it will be able to obtain the benefits of the AMIT Regime.

The Australian Securities and Investments Commission (**ASIC**) has made *ASIC Corporations (Attribution Managed Investment Trusts) Instrument 2016/489* which allows Fundhost to make the necessary amendments to the Fund's constitution without member approval, subject to meeting certain conditions. This notice is being given in satisfaction of the conditions.

Fundhost considers that members of the Fund may benefit if it is treated as an AMIT, for the following reasons:

- a) there will generally be greater clarity and certainty associated with the allocation of taxable amounts to members compared to the current "present entitlement" regime;
- b) the AMIT regime reconciles errors in the taxable income allocated to beneficiaries (referred to as "unders" and "overs") in the years in which they are discovered by a trustee, rather than the existing law which requires that trustees amend previous years' tax returns and notify the relevant beneficiaries of those amendments;
- c) there will be deemed "fixed trust" status and beneficiaries being treated as having vested and indefeasible interests in the income and capital of the AMIT throughout the income year. This will generally make it easier for AMITs to satisfy:
 - the trust loss rules requirements for carrying forward trust losses;
 - the franking credit rules which allow a trustee to distribute franking credits; and
 - eligibility for CGT scrip-for-scrip rollover relief; and
- d) members will be entitled to make upward adjustments to the cost base of their units in the AMIT where the distribution of cash they receive is less than their allocated share of the taxable trust components.

To take advantage of these benefits Fundhost is proposing to amend the Fund's constitution by amending the distribution and income clauses of the constitution by:

- inserting new provisions which empower Fundhost to make a choice for the Fund to be an AMIT, to comply with the requirements under tax law relating to the

administration and operation of AMITs and to exercise discretions in the tax law relating to the administration and operation of AMITs;

- inserting new provisions that provide how Fundhost should allocate the total tax amounts with the particular characteristics of assessable income, exempt income, non-assessable non-exempt income to each member. These rules will apply for each financial year during which the Fund is an AMIT; and
- making various consequential amendments to give effect to these new clauses.

If you would like to see a copy of the proposed amendments, you may request a copy of the constitution to be emailed to you by contacting Fundhost at admin@fundhost.com.au or phone 02 8223 5400.

Fundhost believes the amendments are in the best interests of members and intends to approve them unless it receives requests from members with at least 5% of the total votes in the Fund to call and arrange to hold a meeting of members to consider and vote on a special resolution to modify the constitution as proposed. You may request a meeting by sending an email to admin@fundhost.com.au. All requests must be received by 5pm on 28 October 2016.

If you would like further information about the proposal, please contact us at admin@fundhost.com.au or phone 02 8223 5400.