ISSUE 01:
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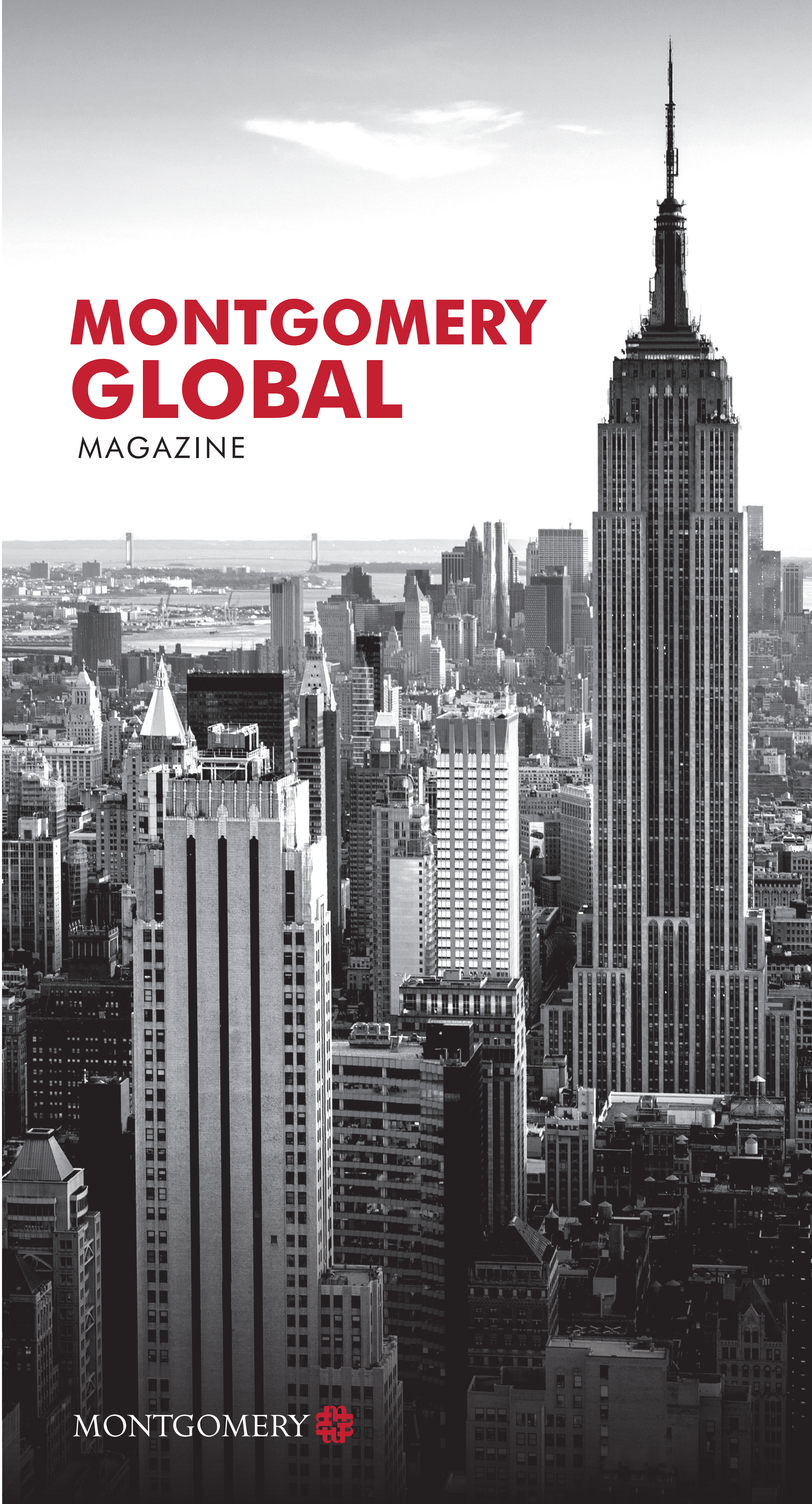
MONTGOMERY GLOBAL
MAGAZINE



MONTGOMERY GLOBAL FUND

FUND OVERVIEW

The Montgomery Global Fund (The Fund) offers the long-term benefits of a concentrated portfolio of extraordinary global businesses and the ability to hold funds in the safety of cash. Quality, bright prospects and a margin of safety at the time of purchase will be common characteristics of Montgomery Global Fund portfolio companies.

The Fund seeks to generate capital growth, income and to outperform the MSCI World Net Total Return Index, in Australian dollars, over the medium to long term, net of fees. Returns are not guaranteed.

As much as it is achievable in equity markets, another objective of The Fund is the preservation of capital.

Unlike funds typically managed by much larger institutions, a relatively meaningful proportion of The Fund's portfolio can be allocated to cash to satisfy this objective.

Montgomery Global is a value investor dispassionately applying a highly disciplined and fact-based investment process. The Fund is focused on investing in what Montgomery regards as high quality businesses with attractive prospects at a discount to their estimated intrinsic value.

Market timing, forecasting or predicting share prices does not form part of the investment process.

FUND FACTS

INVESTMENT MANAGER
Montgomery Global Investment Management Pty Ltd, a subsidiary of Montgomery Investment Management (AFSL 354 564) (CAR # 001007050)

OBJECTIVE
Montgomery Global Fund seeks to generate capital growth, income and to outperform the benchmark over a 5 year rolling period.

BENCHMARK
MSCI World Net Total Return Index, in Australian Dollars

FUND CONSTRUCTION
Montgomery Global Fund will typically invest with high conviction in a portfolio of 15 to 30 businesses listed on major global stock exchanges. The flexibility to hold 30% of the portfolio in the safety of cash and sometimes more in anticipation of extreme market disruption.

APIR - FHT0036AU

RECOMMENDED INVESTMENT TIMEFRAME
5 years

MINIMUM INITIAL INVESTMENT $25,000

INCEPTION DATE
1 JULY 2015

DISTRIBUTION
Any income distributions are paid semi-annually (as at 30 June and 31 December each year) and can be reinvested in full back into The Fund or paid out.

MANAGEMENT COSTS
The Management Costs are 1.29% per annum inclusive of GST/RITC.

PERFORMANCE FEES
The Fund charges a performance fee of 15.38% inclusive of GST/RITC above the benchmark. This is calculated daily (after the accrual of expenses) and is paid 31 December and 30 June.

No performance fee is payable until all and any previous period of underperformance has been made up. No performance is paid when the absolute return of The Fund is negative.

To pre-register your interest, please go to www.montinvest.com/mgf
Full documentation is expected to be released 22 June 2015.

From all of us, welcome...

Roger Montgomery

Chairman and Chief Investment Officer

Bachelor of Commerce, Senior Fellow Financial Institute of Australasia

David Buckland

Chief Executive Officer & Portfolio Manager

Bachelor of Commerce, Master App. Finance and Investment, F.Fin, FCPA, FCSA

Scott Phillips

Head of Distribution

Bachelor of Commerce, Graduate Diploma in Applied Finance and Investment, Master of Business Administration

Russell Muldoon

Portfolio Manager & Senior Analyst

Bachelor of Commerce

Tim Kelley

Head of Research & Portfolio Manager for The Montgomery Fund

Bachelor of Engineering, Master of Business Administration (Distinction)

Andrew Macken

Portfolio Manager & Senior Analyst - Global

Bachelor of Engineering (Honours), Master of Commerce (Finance), Master of Business Administration

Stuart Jackson

Senior Analyst

Bachelor of Economics (Hons), CFA

Ben MacNevin

Analyst

Bachelor of Business Management, Bachelor of Commerce (Honours)

Chris Demasi

Portfolio Manager & Senior Analyst - Global

Bachelor of Commerce

Scott Shuttleworth

Analyst

Bachelor of Economics

Jodene Jackson

Head of Communications

Bachelor of Commerce, Bachelor of Laws

Gracie Morrison

Communications Assistant

Bachelor of Arts

FROM THE EDITOR

Welcome to Montgomery Global.

Investing directly in global shares is challenging. The names aren't familiar, the research is more problematic for a private investor and there's the currency to consider.

But clearly there are enormously successful international businesses, profiting from multi-decade global themes that cannot be accessed locally.

A majority of Montgomery investors are also investing directly in Australian equities. When the brands, the companies and their activities are familiar, it makes direct investing simpler, if not easy.

This familiarity leads to what Chris Demasi calls a 'home bias'. And that home bias causes investors to miss out on global opportunities, because the task of researching international companies is more challenging.

That's where The Montgomery Global Fund and the Montaka Global Fund might help.

Combining our quality and value-based investment approach to global opportunities, with a small highly regarded team who have international experience at the likes of Kynikos and The Lowy Family Group in New York makes sense.

I genuinely liked hearing the story of Essilor, a company you've probably never heard of despite revenues of more than A$8 billion, and products you are likely to already be using on a daily basis.

With 39 per cent global market share, Essilor is the world's leading manufacturer, researcher and developer of optical lenses – something approximately 4.3 billion people in the world could benefit, yet less than half have access. With 70 per cent of people over the age of 45 requiring some form of corrective eyewear, and an ageing global population, Essilor could benefit from further penetration and a long window of growing non-discretionary demand.

Essilor is the kind of company you might find in the portfolios of The Montgomery Global Fund and the Montaka Global Fund.

Back in July 2014 I asked Montgomery's global portfolio manager Andrew Macken, to write a very brief report outlining the case for an investment that would profit from a declining share price.

Quicksilver was a company that demonstrated several criteria Montgomery requires; balance sheet risk, deteriorating economics and divergent expectations. You can read Andrew's abbreviated report on Page 8. The subsequent 60 per cent- plus decline in the share price, at the time of writing, represents an opportunity the Montaka Global Fund seeks to profit from for its investors.

Not every opportunity will prove successful but if you are contemplating investing globally, consider the benefits of applying the Montgomery value investing framework through the Montgomery Global Fund.

Wholesale and sophisticated investors may also be interested in combining this with the opportunity to profit from, or be protected from, declining share markets, fraudulent accounting and deteriorating industries in the Montaka Global Fund.

You may invest directly in Montgomery global funds by visiting www.montinvest.com/mgf or by speaking to David Buckland or Scott Phillips on (02) 8046 5000.

Sincerely yours,

Roger Montgomery
Chief Investment Officer
Montgomery Investment Management

Global investing:
A world of opportunities

Chris Demasi, Portfolio Manager

As a nation Australians might be considered extremely under-diversified, writes *Chris Demasi.*

As a nation Australians retain a home bias regarding their investment allocations. In particular a collective skew towards domestic shares over international shares is depriving Australians of significant opportunities to protect capital and earn potentially wonderful returns over long periods of time. Looking beyond Australia's borders opens up a new world of opportunity in the pursuit of superior investment performance.

On average Australians allocate about three quarters of their equity investments to Australian shares. It is natural for investors to have a bias towards their home market. Familiarity, ease of access and transaction costs all contribute to this home bias.

However it is staggering to think that this bias exaggerates, up to 20 times, the relative importance of Australia's equity market on the global stage!

As a nation Australians might be considered extremely under-diversified.

Allocating a more meaningful portion to global equities can provide an opportunity to benefit from diversification by company, sector, country, currency, economy and structural trends. Investors can also mitigate the risks from placing all their eggs in a single-country basket.

As the 6th largest country in the world by land area, Australia's physical size stands directly juxtaposed to its small size in the context of world economic output and capital markets. Consequently the set of investment opportunities afforded to Australians by the local market is relatively small. The capitalization of publicly listed Australian stocks represents just 3 per cent of the total value of publicly listed equities worldwide.

Conversely, Australians are ignoring 97 per cent by value of opportunities the world is offering.

The equation is as equally lopsided when viewed by the number of equity securities. There are approximately 150 companies with a market value of US$1billion or more listed on the Australian Stock Exchange. Globally there are more than 8,000 companies that meet the same threshold.

Moreover, as shown in Table 1, the MSCI Australia Index (this excludes Rio Tinto) is weighted almost 60 per cent to the top 10 constituents. As Table 2 illustrates, less than 10 per cent of the global MSCI World Index is weighted to its top 10 constituents.

Table 1: Top 10 Constituents of MCSI Aus. as at April 2015

	Mkt Cap (USD Billions)	Index Wt. (%)
Commonwealth Bank of Aus	113.65	11.76
Westpac Banking	89.41	9.25
BHP Billiton (AU)	80.99	8.38
ANZ Banking Group	73.90	7.65
National Australia Bank	68.63	7.10
Wesfarmers	38.73	4.01
CSL	34.07	3.53
Woolworths Ltd	29.37	3.04
Telstra Corp	21.03	2.18
Woodside Petroleum	20.50	2.12
Total	570.28	59.03

Source: MSCI

Table 2: Top 10 Constituents of MSCI World Indexes as at April 2015

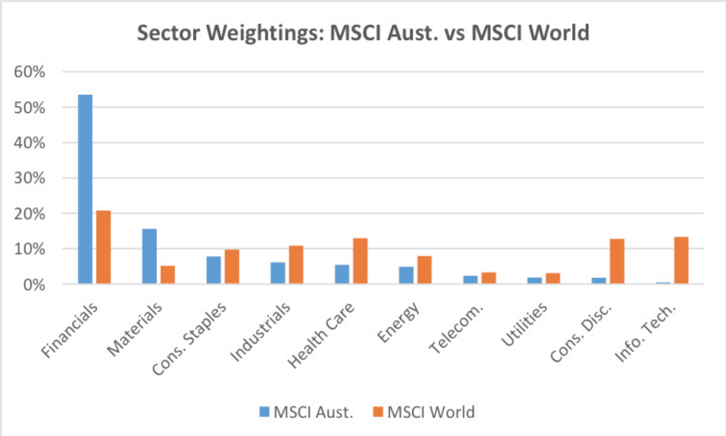
	Mkt Cap (USD Billions)	Index Wt. (%)
Apple	733.98	2.14
Microsoft Corp	380.89	1.11
Exxon Mobil Corp	369.97	1.08
Johnson & Johnson	277.67	0.81
General Electrical Co	271.94	0.79
Wells Fargo & Co	271.55	0.79
Nestle	250.92	0.73
Novartis	237.29	0.69
JP Morgan Chase & Co	236.48	0.69
Procter & Gamble Co	214.85	0.63
Total	3245.54	9.45

Source: MSCI

As Figure 1 reveals, the Australian stock market is dominated by banks and resource or material companies. Further, just six companies represent the substantial majority of the market's value. Australia's 'Big 4' banks collectively account for about a third of the Australian equity market, and the big miners, BHP and Rio Tinto, represent another 15 per cent.

The corollary is that the Australian equity market is underweight in many important sectors; including healthcare, technology and consumer products, with high quality constituents worldwide that have driven enormous growth and value-creation already and still others with brilliant prospects to do so.

Figure1: Sectors weights; Australia and The World



Australia's economy has been characterized by a long run of prosperity. Australia has enjoyed an uninterrupted 23 year run of 3 per cent per annum economic growth.

Over the past decade China's hitherto seemingly insatiable demand for commodities drove a tripling in the price of Australia's mining exports. Australian mining investment increased four-fold, representing 8 per cent of economic output.

The positive impact of the mining boom rippled through the entire economy, lifting incomes, reducing unemployment and buoying the value of the Australian dollar. However Australia has arrived at a critical juncture as growth in China slows and domestic economic indicators soften.

At the same time Australia represents just 2 per cent of global economic output. Elsewhere in the world, different forces and cycles are at work to drive economic outcomes that will vary considerably from Australia's. Indeed, Australia's economy may not always be as robust as it once was, but even if it is, there may be changes afoot globally that can provide equally if not more compelling investment opportunities.

Moreover, Australians invested in global stocks are able to diversify and preserve the global purchasing power of a portion of their wealth should the Aussie dollar weaken.

Looking around the globe there exists an abundance of investment themes exhibiting attractive developments. Ageing populations, escalating healthcare costs, emerging wealth and population growth in developing countries, digital payments, the proliferation of mobile and connected devices, the 'Internet of Things', personalized medicine, omni-channel retailing, asset-light service platforms, pension obligation pressures, streaming television, cloud computing and big data, represent just a handful of the available themes a global investor can access.

It is very clear to us that global equity markets will provide a very deep pool from which uncovering excellent investment opportunities is possible.

We encourage all investors to review their allocation to global shares. Are you benefiting from the world of opportunities?

If you would like to discuss the Montgomery Global Fund further, or have any additional questions, please contact David Buckland, Chief Executive Officer, on 02 8046 5000.

This article was written on 16 May 2015. All share and other prices and movements in prices are to this date.

Are you benefiting from these global themes?

Andrew Macken, Portfolio Manager

Today, there are approximately 2.6 billion smartphone connections in the world; by 2020, there will be nearly six billion, says *Andrew Macken.*

In China there are around 1.4 billion people who are looking to boost their basic consumption levels. What is often forgotten, however, is that there are another 1.5 billion Indians and Indonesians of even lower median age and higher fertility rate right behind them.

In the United States, where the 50 largest companies are hoarding around $1.4 trillion in cash, there are approximately 10,000 Americans turning 65 every day – with seniors utilizing nearly three times the prescriptions of the younger population.

In Europe, meanwhile, the central bank is acquiring 60 billion worth of government bonds per month. It is expected to maintain this rate of buying until at least the end of September 2016.

These all represent massive changes in key economic drivers and will benefit many global companies that are strategically positioned for these changes.

The Montgomery Global Fund seeks to buy outstanding global businesses, with attractive future prospects, at discounts to intrinsic value. In addition, we continually identify and track the evolution of major global themes as these serve to help inform the future prospects of many of the businesses we evaluate for investment.

For instance, many Australians understand all too well the ageing population we have and the opportunities this creates in the healthcare and annuities space.

Yet, we are seeing similar phenomena in many countries around the world: Japan, China, the European Union and the United States.

‘THE WAY WE DELIVER HEALTHCARE IN THE FUTURE WILL LOOK VERY DIFFERENT TO HOW IT HAS LOOKED IN THE PAST’

The way we deliver healthcare in the future will look very different to how it has looked in the past. Technology will play a much larger role – from GP visits moving online, to wearables continually measuring and monitoring your health parameters, to medicines being tailored to your specific genetic code.

The way businesses recruit employees has already evolved and continues to evolve all over the world. No longer do employers list jobs in the newspaper (which themselves have moved online), job listings are posted to online professional job listing and networking sites.

As anyone who has shopped online will know, the internet effectively represents a teleport machine that allows you to shop at any retailer in the world. And with smartphones representing a powerful computer shrunk to the size of your pocket, this is becoming increasingly easier and more efficient to use by the day. Even the way we pay for goods and services is changing and becoming more reliant on your smartphone.

Do you still look up the television guide to see what time your favourite show is starting? Not for long. In a world of Netflix, Apple TV and many other "over the top" services that circumvent regular television distribution, consumers are watching what they want, when they want. And this is having a huge impact on the value of the content that is being produced.

'THESE THEMES REPRESENT TAILWAINDS TO MANY OF THE HIGH QUALITY BUSINESSES THAT THE MONTGOMERY GLOBAL FUND HAS ALREADY IDENTIFIED'

There are also non-technological global themes that investors should be benefiting from. The significant bond buying that the European Central Bank is undertaking is serving to weaken the European currency and boost European stock markets. Would it surprise you, therefore, to find out that German home prices are rising at the fastest rate in about a decade?

Or in the United States, where 50 companies alone control $1.4 trillion in cash on their balance sheet, would it surprise you to find out that merger and acquisition deal activity is at an eight year high?

All of these themes are playing out in the world right now. These themes represent tailwinds to many of the high quality businesses that the Montgomery Global Fund has already identified as candidates for our investors' portfolio.

We encourage all investors to take the time to re-examine the structural global trends to which their share portfolios are exposed. Are you benefiting from many of the global themes we have outlined above? After seeking personal professional advice, it may well be in your interest to consider an allocation to the Montgomery Global Fund.

If you would like to discuss the Montgomery Global Fund further, or have any additional questions, please contact David Buckland, Chief Executive Officer, on 02 8046 5000.

This article was written on 22 May 2015. All share and other prices and movements in prices are to this date.

A short essay on Quiksilver

Andrew Macken, Portfolio Manager

The brick-and-mortar retail model, which accounts for roughly 95 per cent of Quiksilver's sales, has been under enormous pressure from e-commerce platforms, such as Amazon, writes *Andrew Macken*.

Identifying high-quality businesses and buying them at attractive valuations is a tried and tested strategy that we follow at Montgomery for our investors. And since inception of The Montgomery Fund and The Montgomery [Private] Fund the approach has worked. Over the very long run, we should reasonably expect this strategy to outperform the market.

Yet, as many readers are perhaps aware, there are a set of sophisticated investors around the world that have the opportunity to also generate returns from falling stock markets and low-quality and deteriorating businesses. Wholesales and sophisticated investors in The Montaka Global Fund may participate in opportunities such as those described here.

Consider the Californian surf wear company Quiksilver (NYSE: ZQK). As many Australians know well, Quiksilver designs and sells branded t-shirts, boardshorts, footwear and other surf, skate and snowboarding-related items under the brands of Quiksilver, Roxy and DC. The company sells its products all over the world, though the US, France and Australia/NZ dominate with 38 per cent, 12 per cent and 7per cent of total sales, respectively, in 2013.

Founded in the 1970's Quiksilver listed on the New York Stock Exchange in 1986. Its apparel was no doubt very prominent in the 1990s, though it is not clear if the allure of the brand continues today.

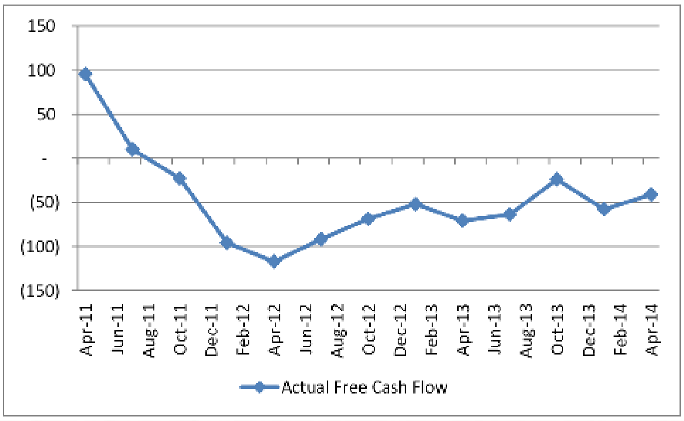
Like so many fast-fashion clothing brands, Quiksilver's day in the sun may well have already passed; and today, there are simply so many alternatives in the category. Since mid-2012, Quiksilver's annual sales growth has been negative.

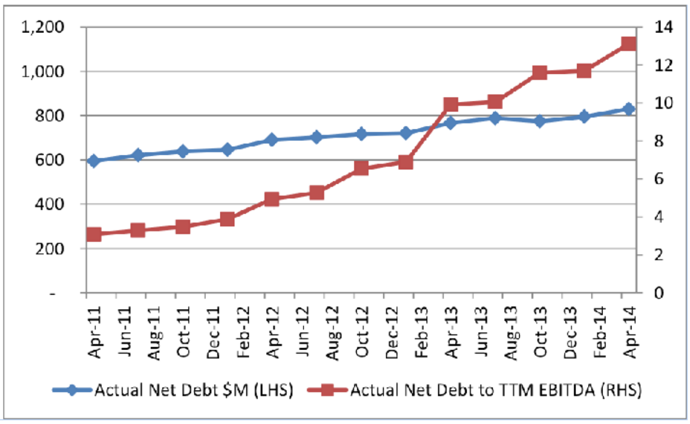
Yet it appears to be more than a simple cooling of the brand. The company's distribution model, particularly in the US, appears to be under fire. Quiksilver's sales channels are split roughly 70 per cent wholesale (including surf shops, sporting stores and department stores); 25 per cent retail through the company's 658 owned stores and a number of licensed stores; and 5 per cent online via Quiksilver's e-commerce websites.

'WE CAN BE FAIRLY CONFIDENT THE COMPANY WILL MATERIALLY UNDERPERFORM MANY OF THE BUSINESSES WE IDENTIFY AS BEING OF EXCEPTIONAL QUALITY.'

The brick-and-mortar retail model, which accounts for roughly 95 per cent of Quiksilver's sales, has been under enormous pressure from e-commerce platforms, such as Amazon. The effect can be clearly observed in the US already; and one can only assume Australia's day will also come. The chart on the next page illustrates the stark divergence in retail sales between Amazon and a number of brick-and-mortar retail peers in the US.

Making matters worse is the significant financial leverage on the company's balance sheet. As profits have declined, Quiksilver's free cash flows (cash from operations, less capital expenditures) have remained negative for the last 11 consecutive quarters. To fund this cash burn, the company has needed to borrow, which is clearly illustrated by the charts below. Current net debt is US$830 million versus a current market capitalization of US$620 million.





It is perhaps, therefore, not surprising that while the company's last six months sales growth was negative 7 per cent year-on-year, the US segment actually declined by over 12 per cent. Furthermore, of the US$39 million operating loss reported by Quiksilver for the last six months, nearly US$26 million of this loss related to the US.

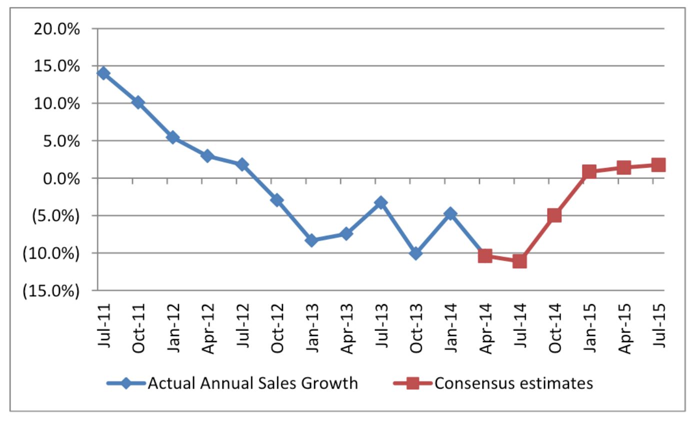
Like so many companies with a significant set of reasonably-fixed costs, as sales growth turns negative, profit margins also contract. So despite gross profit margins remaining relatively steady at around the 50 per cent level, annual EBITDA margins have contracted from around 10 per cent three years ago, to less than 4 per cent today. This is the effect of operating leverage working in reverse.

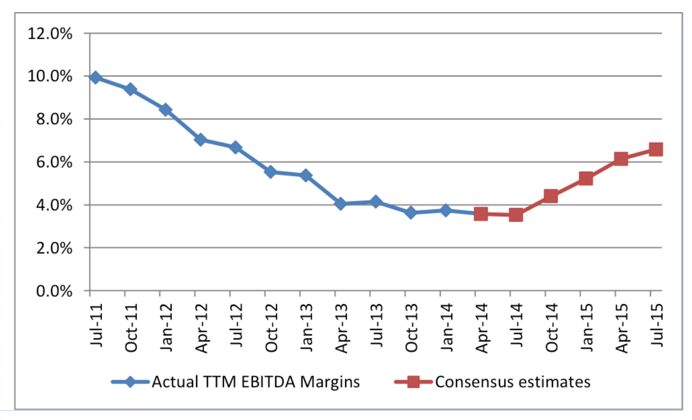
(Editors note: Australian investors should be aware of this when reviewing Woolworths and the impact of hard discounters like Aldi entering the Australian grocery market)

This excessive financial leverage significantly hinders the ability of management to make the critical investments needed by the business to restructure and turn it around. Furthermore, the risks of financial distress or even a bankruptcy reorganization are greatly increased. It should be noted that many of Quiksilver's debt agreements contain restrictive covenants. While these are less of an issue in the current "easy credit" environment that characterizes much of the world today; should credit tighten, these covenants could become a noose around the company's proverbial neck.

Given the deteriorating quality of Quiksilver's business and balance sheet, we can be fairly confident the company will materially underperform many of the businesses we identify as being of exceptional quality.

And indeed it has. Quiksilver's stock is down nearly 60 per cent since the beginning of the year – equating to a 60 per cent absolute profit for an investor who appropriately positioned themselves ahead of this opportunity. Interestingly, Quiksilver likely has a lot further to fall. As is so often the case when businesses are deteriorating, analysts and investors live in denial for a period of time and are slow to revise their expectations down to the ugly reality. Consider the following charts that illustrate the current set of "consensus" analyst expectations for Quiksilver's sales growth and EBITDA margins over the coming five quarters. Do these look a little optimistic in light of the enormous competitive pressures the company is facing?





These charts suggest analysts believe in a rapid recovery in both sales growth and profit margins. Of course, if these expectations turn out to be too optimistic – which is likely – then Quiksilver's shares will continue to fall further.

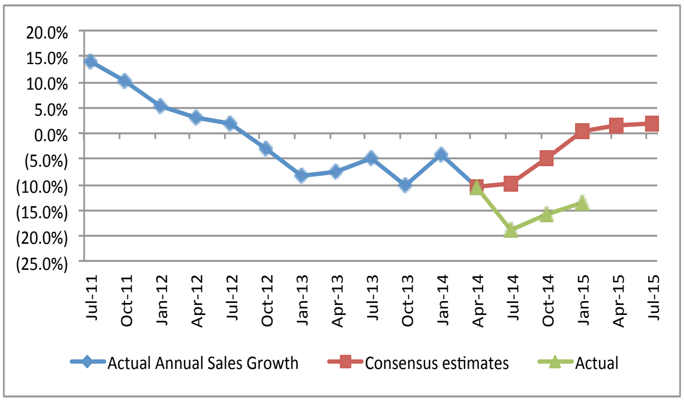
When we own high-quality businesses, we do so in the context of a reasonably well-diversified portfolio. This approach is an acknowledgement that we are never going to be correct in our stock selection 100 per cent of the time. With a portfolio approach, we do not need to be. We simply know that the portfolio will outperform the market over a long period of time; and individual company hiccups, while always unpleasant, will not materially impair the portfolio. The same approach is sensible for a portfolio of opportunities designed to take advantage of falling share prices. This way, not every position needs to work out exactly as planned. Instead, the portfolio of these 'deteriorating' opportunities need only underperform the portfolio of high quality businesses, purchased below intrinsic value, for the investor to achieve attractive risk-adjusted returns.

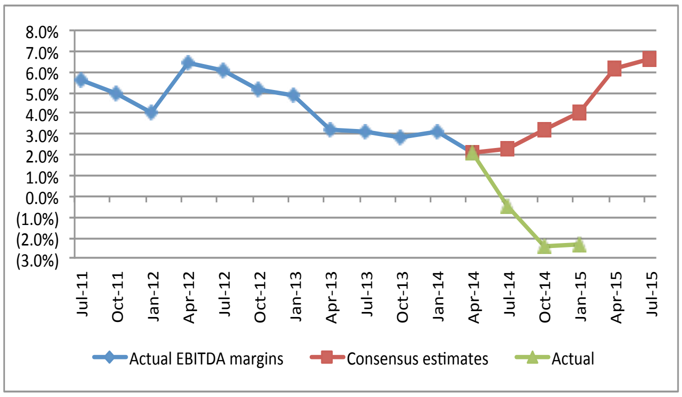
This article was written on 9 July 2014. All share and other prices and movements in prices are to this date.

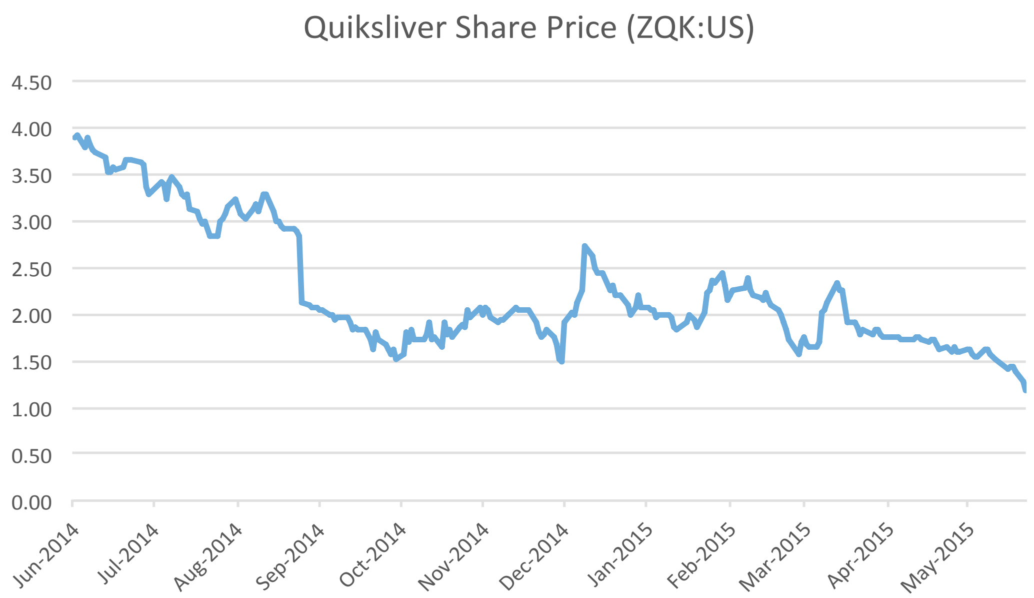
ADDENDUM: What has happened since July 2014?

Naturally, consensus expectations turned out to be way too bullish. The charts below illustrate how sales growth and margins actually played out (green line)

As for the stock? It is down more than 60 per cent since writing the memo.







MONTAKA

FUND OVERVIEW

Montaka provides our clients the opportunity to benefit from both the gains of extraordinary businesses and the declines of deteriorating businesses, with greater capital protection when share markets turn down.

The Montaka Global Master Fund (The Fund) will typically invest in a portfolio of high conviction stocks listed on major global stock exchanges with a focus on North America, Western Europe, the United Kingdom, Japan, Hong Kong, Singapore and Australia. The Fund will typically invest in 15-30 high conviction extraordinary businesses (as per the Montgomery Global Fund), whilst also (short) selling typically 25-40 stocks based on a unique framework that categorises stocks into at least one of the following: (i) thematic structural declines; (ii) divergent expectations; (iii) asymmetries; and/or (iv) misperceptions. The net exposure to the market (long exposure minus short exposure) will typically be between 30% and 70%, and can vary over time with market conditions.

FUND FACTS

INVESTMENT MANAGER

Montgomery Global Investment Management Pty Ltd (The Manager), a subsidiary and Authorised Representative (AR) of Montgomery Investment Management Pty Ltd (AFSL:354 564) (AR: 001007050).

OBJECTIVE

The Fund will seek to generate materially higher risk-adjusted returns, net of fees, than is available in the market place over the medium-term. The Fund will also seek to offer a significant level of capital preservation across all market cycles. Returns are not guaranteed.

INCEPTION DATE

1 JULY 2015 (payment required by **26 JUNE 2015**)

SUBSCRIPTION DATES THEREAFTER

First business day each month (payment required 3 business days prior)

MINIMUM INITIAL INVESTMENT

A$1,000,000. However, the Trustee has discrection to reduce this.

FREQUENCY OF PRICING

The Fund is priced at month end and investors can view details of their investment through The Administrator's portal: http://portal.citco.com. Applicants will receive login details upon submission of the subscription agreement.

DISTRIBUTION

The Montaka structure will initially be classed as a Controlled Foreign Company (CFC) by the ATO and may pay annual distributions. However, when the Montaka structure is deemed to be a non-CFC by the ATO, distributions will cease. To become a non-CFC The Fund will have more foreign investors than Australians Investors, and this forms part of The Manager's long-term strategy. For this reason, The Fund should not be acquired with income in mind as it is intended the income and any net realised gains will instead be reinvested.

LIQUIDITY

Monthly redemptions with a 60-day notice period.

BUY-SELL SPREAD

There is no Buy-Sell spread. All pricing is at the Net Asset Valuation ("NAV") of The Fund.

FUND STRUCTURE

Montaka Global Fund is an Australian unit trust that only invests in Montaka Global Offshore Fund, a Cayman Islands exempt company with limited liability. Montaka Global Offshore Fund only invests in Montaka Global Master Fund, a Cayman Islands exempt company with limited liability. Montaka Global Master Fund is the entity that holds the underlying assets and liabilities of the portfolio. Collectively, we refer to this structure as "Montaka".

MANAGEMENT FEE

Preferred Early Investors (up to $100 million) recieve a 0.5% per annum discount on the management fee for life, to 1.0% per annum of the NAV, with a soft lock up for two years (earlier redemptions are otherwise subject to an exit penalty). If you elect to be a General Class Investor the management fee is 1.5% per annum of the NAV.

PERFORMANCE FEE

The Manager will be entitled to receive a Performance Fee equal to 20% of the amount by which the NAV of each Participating Share at the end of the Calculation Period (31 December 2015, and annually thereafter) exceeds the Hurdle for Performance Fee.

HURDLE FOR PERFORMANCE FEE

The US Ten-Year Government Bond Yield.

EXIT PENALTY / FEE

Only Preferred Early Investors who redeem in the first 2 years will pay a 5% penalty, which remains in The Fund. Other than this there is no exit fee.

Trustee	Administrator	Custodian	Auditor	Legal & Tax Advisers	Prime Broker
Montgomery Investment Managment Pty Ltd (AFSL 354 546)	CITCO Fund Services Australia Pty Ltd	Perpetual	Ernst & Young	DLA Piper Australia	Morgan Stanley

IMPORTANT NOTICE

This document has been prepared by Montgomery Investment Management Pty Ltd ABN 73 139 161 701 AFSL 354 564 (MIM).

The Montgomery Global Fund

The issuer of units in The Montgomery Global Fund (Fund) is the Fund's responsible entity Fundhost Limited (ABN 69 092 517 087) (AFSL 233045). The Product Disclosure Statement (PDS) contains all of the details of the offer. Copies of the PDS will be available from 22 June 2015. An investment in the Fund will only be processed from 1 July 2015 using a valid application form attached to the PDS. Before making any decision to make or hold any investment in the Fund you should consider the PDS in full.

The Montaka Global Fund

The Montaka Global Fund will be available to wholesale investors, and is by invitation only, and will not be available for distribution to the general public. Montgomery Investment Management Pty Ltd (ACN 139 161 701 AFSL: 354564) ('Montgomery Investment Management' or 'MIM') is the trustee of the Montaka Global Fund. The Information Memorandum for the Montaka Global Fund is not anticipated to be available for investment until the 1st July 2015. Wholesale investors should contact Montgomery Investment Management for further information in relation to this investment.

The information provided in this document does not take into account your investment objectives, financial situation or particular needs. You should consider your own investment objectives, financial situation and particular needs before acting upon any information provided and consider seeking advice from a financial advisor if necessary.

Future investment performance can vary from past performance. You should not base an investment decision simply on past performance. Past performance is not an indicator of future performance. Investment returns reviewed in this document are not guaranteed, and the value of an investment may rise or fall.

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