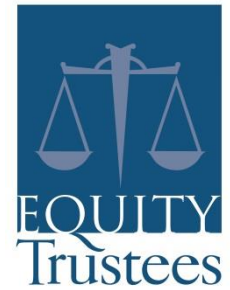


27th July 2018



Equity Trustees Limited
ABN 46 004 031 298
AFSL 240975

Level 2, 575 Bourke Street
Melbourne Victoria 3000
GPO Box 2307
Melbourne Victoria 3001
Telephone 1300 133 472
Facsimile (61 3) 8623 5200
Email enquiry@eqt.com.au
Website eqt.com.au

Dear Unitholder,

Important Changes to the Arnhem Australian Equity Fund ('the Fund')
APIR Code: ARO0011AU

Equity Trustees Limited, the Responsible Entity ("EQT" or "We") for the Arnhem Australian Equity Fund wishes to advise of impending important changes to the Fund.

What Changes are We Making and Why?

The current Delegated Investment Manager of the Fund Arnhem Investment Management Pty Limited will be replaced by JCP Investment Partners Ltd ("JCP") on or around 17 August 2018 ("Transition Date").

This change comes into effect following the announcement by Arnhem on 5 June 2018 that the firm would cease taking on new clients with a view to closing existing capabilities. To help facilitate this process BNP Paribas Asset Management Australia Limited ("BNPP AM") has sold its 40% stake in Arnhem to the Managing Partners of Arnhem, effective 27 July 2018 and as a result the two BNPP AM Nominee Directors on the Arnhem Board have resigned.

We will continue in our current role as Responsible Entity, and BNPP AM will remain as Investment Manager of the Fund.

About JCP Investment Partners

JCP is a specialist wholesale Australian focused equities investor founded in 1998 based in Melbourne, Australia. JCP is a research driven, fundamental growth style manager with funds under management of over \$5.3 billion and has a well-resourced, experienced and stable investment team with proven performance in different market environments.

As a consequence of the appointment of JCP, the Fund's investment objectives and investment style will change. These changes are summarised in more detail below.

Change of Fund Name

The Fund will be renamed the BNP Paribas Australian Equity Benchmark Insensitive Trust.

Change of Investment Objectives, Guidelines and Other Features

As stated in the current Product Disclosure Statement ("PDS"), the Fund is designed to provide investors with capital appreciation over the medium-term (5 years) by investing in Australian listed shares. This will not change.

The Fund will also continue to generally hold between 30 to 40 stocks.

The BNP Paribas Australian Equity Benchmark Insensitive Trust will be managed to a higher risk / return objective than the existing Arnhem Australian Equity Fund, effective from the Transition Date.

The term 'Benchmark Insensitive' in the Fund's name refers to the investment guidelines that allow JCP greater flexibility in their stock picking as opposed to being restricted to a closer alignment to a stock's weighting in the Benchmark, as is currently the case with the Arnhem Australian Equity Fund.

Please refer to the table below for detailed changes to the Fund.

	Arnhem Australian Equity Fund	BNP Paribas Australian Equity Benchmark Insensitive Trust
<i>Changes to Investment Objectives and Guidelines</i>		
Benchmark	S&P/ASX 200 Accumulation Index	S&P/ASX 300 Accumulation Index
Targeted return in excess of the benchmark	2 – 3% per annum	6% per annum over a rolling 5 year period
Targeted ex ante tracking error	2.5 – 4% per annum	4 – 8% per annum
Individual stock limit	Benchmark relative: Limit of + / - 4% of benchmark weight	Benchmark insensitive: Typically limited to 10% of NAV of Fund
Target asset allocation ranges	<i>Australian Equities</i> Min 95% - max 100% <i>Cash & cash equivalents</i> Min 0% - max 5%	<i>Australian Equities</i> Min 90% - max 100% <i>Cash & cash equivalents</i> Min 0% - max 10%
Non-exchange traded securities	The Fund may invest in non-exchange traded securities where there is a reasonable expectation of listing on the ASX within 6 months.	The Fund may invest in non-exchange traded securities where there is a reasonable expectation of listing on the ASX within 12 months.
<i>Other Changes to Fund Features</i>		
Minimum initial application amount	A\$20,000	A\$25,000
Minimum investment balance	EQT currently reserves the right to fully withdraw your investment if your investment balance in the Fund falls	EQT will reserve the right to fully withdraw your investment if your investment balance in the Fund falls below \$25,000 as a result of

	below \$5,000 as a result of processing your withdrawal request.	processing your withdrawal request.
Minimum withdrawal amount	A\$1,000	A\$50

Change of Investment Style and Approach

JCP is a long-term fundamental investor. JCP seeks to combine the art and science of investing through unique idea generation and sophisticated portfolio construction. Its focus is on understanding the intrinsic value of a company and then looking to exploit any difference between this value and a company's share price. This investment philosophy is based on the belief that the equity market is a complex adaptive system from which prices are determined by the collective emotional interpretation of information by investors.

Performance Calculation

Performance returns will be provided from the Transition Date. Unitholder information and marketing literature issued after the Transition Date will not reflect historic performance of the Fund since inception. Please note however that the unit pricing for the Fund will be continuous during this transition.

Transition Between Delegated Investment Managers

The changeover period of the Fund will be approximately 5 business days from the Transition Date.

During this period JCP will realign the Fund's holdings in accordance with its investment style and approach.

Application and withdrawal requests will be processed in the usual manner as described in the Fund's current PDS.

Management Cost and Buy/Sell Spread

Please note that there will be no change to:

- The Management Cost of the Fund, which will remain capped at 0.85% per annum except for extraordinary expenses. If the total Management Costs exceed the cap, BNPP AM will reimburse the amount of the excess costs to the Fund unless the excess is due to an extraordinary expense.
- The Buy/Sell spread, which will remain 0.30% upon entry to the Fund and 0.30% upon exit from the Fund. The Buy/Sell spread is an additional cost to the investor but is incorporated into the application price and withdrawal price of the units in the Fund. The Buy/Sell spread is paid into the Fund and not paid to EQT or the Investment Manager.

New Product Disclosure Statement

A new PDS for the Fund will be issued on the Transition Date, on or around 17 August 2018, and will be available on BNPP AM's website www.bnpparibas-am.com.au and on EQT's website www.eqt.com.au. Should you require a hard copy of the new PDS, please contact the BNPP AM Client Services Team on, 1800 267 726 or +612 9619 6041 or at AMAU.ClientService@bnpparibas.com.

What Do You Need to Do?

The information outlined above does not constitute investment advice and is not a recommendation to acquire, hold or sell units in the Fund. An investor should consult with their own investment, accounting, legal and tax advisers to evaluate independently the risks, consequences and suitability of their investment and the impact of the changes above to their own personal circumstances.

On behalf of the Investment Manager, BNP Paribas Asset Management and Equity Trustees Limited we thank you for your continued business and consideration of the above information.

Should you have any questions, please contact the BNPP AM Client Services Team on, 1800 267 726 or +612 9619 6041 or at AMAU.ClientService@bnpparibas.com.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Harvey Kalman', with a stylized, cursive script.

Harvey Kalman
Executive General Manager Corporate Trustee Services
Equity Trustees Limited