

# Lazard Emerging Markets Total Return Debt Fund (ARSN 162 470 046)

Product Disclosure Statement  
31 October 2024

You are encouraged to read the entire document before you make any investment decision.

Contents	Page
1 The Lazard Emerging Markets Total Return Debt Fund at a glance	2
2 Benchmark disclosures	3
3 About the Lazard Emerging Markets Total Return Debt Fund	4
4 Investment risks	10
5 Fees and other costs	13
6 General information	18
7 How to apply	21
8 Directory	24

This Product Disclosure Statement ("PDS") is dated 31 October 2024.

Lazard Asset Management Pacific Co, ABN 13 064 523 619, ("Lazard") holds an Australian Financial Services Licence, number 238432, and is the Responsible Entity of the Lazard Emerging Markets Total Return Debt Fund ("Fund") available for investment through this PDS. Lazard is the issuer of the PDS and the units in the Fund. Units to which this PDS relates will only be issued on the receipt of the Application Form included in or accompanied by this PDS. Investors who invest through an IDPS, IDPS like scheme or other platform (collectively referred to as a "Platform") should contact their Platform operator.

The Fund has been designed for medium to longer-term investment and is subject to investment risk, including possible delays in repayment and loss of income and principal invested. Your investment does not represent deposits or other liabilities of any member of the Lazard group. Neither Lazard nor any member of the Lazard group, including Lazard Asset Management LLC and its affiliates guarantees in any way the performance of the Fund, repayment of capital from the Fund, any particular return from or any increase in the value of the Fund.

This PDS has not been prepared taking into account the investment objectives, financial situation or needs of any particular investor.

You should get professional advice as to whether investment in the Fund is appropriate having regard to your particular investment needs, objectives and financial circumstances before investing.

**This PDS does not constitute an offer or invitation in any place where, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the units or the offer or otherwise to permit a public offering of the units in any jurisdiction outside Australia.** The distribution of this PDS in jurisdictions outside Australia may be restricted by the laws of those jurisdictions. Any applicant from a jurisdiction outside Australia must warrant that their application and its acceptance by Lazard does not breach the applicable laws of that jurisdiction. A failure to comply with these restrictions may constitute a violation of the laws in those jurisdictions.

A paper copy of this PDS is available free of charge by contacting Lazard or your Platform operator, or from our website at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com). Lazard reserves the right to change the terms and conditions in this PDS.

**Section 1**      **The Lazard Emerging Markets Total Return Debt Fund at a glance**  
 Summary of key information about the Fund

<b>Key Fund Information</b>	
<b>Investment Manager</b>	The investment manager for the Fund is Lazard Asset Management LLC (“LAM”). Denise Simon and Arif Joshi at LAM play key roles in the investment decisions of the Fund. Further details are in the “Investment manager” section on page 4.
<b>Investment Strategy</b>	The Fund seeks to provide a risk-adjusted total return from income and capital growth. It is benchmark unaware and has the ability to invest across the emerging market debt universe. LAM considers emerging markets to be countries not included in the MSCI World Index. Issuance by companies not domiciled in emerging markets, but that have a significant portion of their net assets in and/or derive a significant proportion of their sales from emerging markets may be included. Investment in frontier markets may also be included. Further details, including other assets, are in the “Investment strategy” and “Investment risks” sections on page 5 and page 10 respectively.
<b>Fund Structure</b>	The Fund is a registered managed investment scheme. Lazard has appointed a number of key service providers who are involved in the ongoing operation and administration of the Fund. Further details about the Fund are in the “Fund structure” section on page 7.
<b>Valuation, Location and Custody of Assets</b>	The assets of the Fund are primarily comprised of emerging market debt securities, derivatives and cash. The value of assets of the Fund will normally be calculated each business day based on the market value of the assets having regard to the nature and characteristics of the assets and the market for those assets at the time of valuation. State Street Australia Limited is the custodian of the Fund. The Fund’s assets are valued based on the market value sourced from an independent third party provider, experienced in valuing the types of securities that the Fund invests in, and these price sources are used by the custodian to value the assets of the Fund. The geographic focus of the Fund’s investment strategy is emerging markets. Further details are in the “Benchmark disclosures” and “Investment strategy” sections on page 3 and page 5 respectively.
<b>Liquidity</b>	Under normal trading conditions, Lazard expects that at least 80% of the Fund’s assets are capable of being realised, at the value ascribed to them in calculating the Fund’s NAV, within 10 days. Further details are in the “Liquidity” and “Counterparty risk and liquidity factors” sections on page 8 and page 11 respectively.
<b>Leverage</b>	It is intended that the Fund will engage in leverage through trading derivatives. The strategy allows gross exposure up to 250%. During the 1 year period to 30 June 2024, the gross notional exposure for the Fund ranged from 123.9% to 147.4%. It is not currently intended that the Fund will engage in short selling of securities held in the Fund. Further details are in the “Use of leverage” section on page 8.
<b>Derivatives</b>	Derivatives, such as forwards, futures, swaps, credit-default swap indices and options, may be used in pursuit of the Fund’s investment objectives. Further details are in the “Derivatives” and “Risks relating to derivatives” sections on page 9 and page 13 respectively.
<b>Withdrawals</b>	In normal circumstances, Lazard expects that withdrawal requests will be satisfied within 6 business days from the date of acceptance of an investor’s withdrawal request. The withdrawal period could be extended by Lazard in certain circumstances beyond the control of Lazard which prevent the calculation of a unit price for the Fund, for example where Lazard is unable to value the assets of the Fund, or other circumstances that are not considered by Lazard to be normal circumstances. Lazard does not intend to fund withdrawals from an external liquid facility. Changes to withdrawal procedures may be made by Lazard and will be notified to investors in writing. Payments cannot be made to a third party or a non-Australian bank account. The processing of a withdrawal request may be suspended or proceeded with partially, due to its size either alone or taken with currently unmet requests. Further details are in the “How to withdraw” section on page 23.

## Section 2

## Benchmark disclosures

This PDS addresses each of the two benchmarks set out in ASIC's Regulatory Guide 240 ("Regulatory Guide").

**Benchmark 1: Valuation of assets**

Benchmark 1 is that a Responsible Entity has and implements a policy that requires valuation of the Fund's assets that are not exchange traded to be provided by an independent administrator or an independent valuation service provider. Lazard meets this benchmark as it has and implements a policy requiring the non-exchange traded assets of the Fund to be valued by an independent valuation service provider.

State Street Australia Limited calculates the Fund's net asset value ("NAV") which is the aggregate value of all the assets less any liabilities held by the Fund. The "value of an asset" will normally be the market value of that asset having regard to the nature and characteristics of the asset and the market for that asset at the time of valuation.

Where the market value of an asset cannot be ascertained, then Lazard will use another valuation methodology, for example an independent expert's valuation.

The NAV will generally be calculated each business day. A "business day" shall mean any day on which banks are generally open for business in Sydney, New South Wales and New York. There may be circumstances where the assets of the Fund are unable to be valued in circumstances outside Lazard's control. For example, trading restrictions placed on such assets or a change in the state of affairs in a country in which the Fund invests.

**Benchmark 2: Periodic reporting**

This benchmark is that the Responsible Entity has and implements a policy to provide periodic reports on certain key information as set out in the Regulatory Guide. Lazard does not meet this benchmark, with respect to disclosing the names of the derivatives counterparties engaged by the Fund. Lazard's approach and the reasons for this approach are described below. Lazard will provide investors with regular reporting on key information including the following:

- Monthly updates

The following information concerning the Fund will be provided to investors on a monthly basis (or more often where the changes are considered material):

- current total net asset value of the Fund;
- current withdrawal value of a unit in the Fund (or each class, if more than one);
- any new key service provider, or change to the related party status of a key service provider;
- net returns on the Fund's assets after fees, costs and taxes;
- material changes to the Fund's risk profile;
- material changes to the Fund's strategy; and
- any change in the individuals playing a key role in the Fund's investment decisions.

This information will be reported in the monthly fact sheets available on our website at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com) or can be obtained free of charge by contacting us.

- Annual reporting

The following information concerning the Fund will be provided to investors on an annual basis. The latest report is available on our website at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com):

- actual allocation of the Fund to each asset type;
- liquidity profile of the Fund's assets;
- maturity profile of the Fund's liabilities;
- the Fund's leverage ratio;
- monthly or annual investment returns over at least a five-year period or since inception (where the Fund has been operating for less than five years); and
- changes to key service providers for the Fund including any changes in their related party status.

This information may be provided more often than annually, where it is considered a material change to the Fund.

Benchmark 2 is not met in respect of the following information which is not included in the annual reporting to investors:

- Derivative counterparties engaged.

Lazard does not disclose the names of the Fund's derivative counterparties because this information is considered commercial-in-confidence. Lazard does not consider this approach poses any additional risks to investors in the Fund and notes that all counterparties and the trading of over-the-counter ("OTC") derivatives are governed by Lazard's broader risk and compliance framework and control environment. Please refer to "Criteria for Engaging Derivative Counterparties" on page 9 for further details.

Lazard also will provide to investors:

- transaction and periodic statements;
- distribution statements;
- Attribution Managed Investment Trust ("AMIT") Member Annual ("AMMA") statement;
- the Fund's annual financial report.

Investors in the Fund can request current information about the Fund's performance and copies of the annual financial report free of charge from our website at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com) or upon request from Lazard on 1800 825 287.

#### Reporting if investing through a Platform

If you are investing through a Platform, contact your Platform operator who can provide you with the reports on your investment in the Fund including current information about the Fund's performance and copies of the annual financial report for the Fund.

## Section 3

### About the Lazard Emerging Markets Total Return Debt Fund

#### Who manages the Fund

Lazard is the Responsible Entity for the Fund. It is a subsidiary of LAM and has research analysts in the major regions across the world including North America, Europe, the Middle East and Asia Pacific. Lazard is responsible for the management of assets for clients across domestic equities, global equities, fixed income, and alternative assets.

The role of the Responsible Entity is to operate the Fund and ensure that the Fund complies with the constitution and legislation that governs the Fund. It also sets the Fund's investment strategy. The Responsible Entity has the power to delegate its duties and appoint other entities to perform tasks and provide services to the Fund.

Lazard has appointed LAM as the investment manager of the Fund and the scope of its appointment is to manage the Fund in accordance with the investment strategy described in this PDS.

Lazard has appointed State Street Australia Limited (the "administrator") as custodian to hold assets of the Fund and to provide administration functions including portfolio valuations, investment accounting and unit holder registry functions for the Fund.

#### Investment manager

There are two individuals at LAM who play key roles in the investment decisions for the assets of the Fund:

##### 1 Denise S. Simon

Denise Simon is a Portfolio Manager/Analyst on LAM's Emerging Markets Debt team and has worked in the investment industry since 1986. Prior to joining LAM in 2010, Denise worked in senior portfolio management positions for a number of other investment firms. Denise has a BA in International Economics from George Washington University.

##### 2 Arif T. Joshi, CFA

Arif Joshi is a Portfolio Manager/Analyst on LAM's Emerging Markets Debt team and has worked in the investment industry since 1998. Prior to joining LAM in 2010, Arif worked in senior portfolio management positions working with Denise for a number of other investment firms. Arif has an MBA in Finance from Columbia Business School and a BS in Economics from the Wharton School at the University of Pennsylvania.

Both Denise and Arif are located in LAM's New York office in the USA.

The LAM Emerging Markets Debt portfolio management team is 100% dedicated to implementing LAM's emerging markets debt strategies, which includes this Fund. Lazard is not currently aware of any relevant significant adverse regulatory findings against the investment personnel with LAM responsible for the investment management of the Fund.

The scope of LAM's appointment is that it is appointed to manage the Fund in accordance with the investment strategy described in the PDS. The appointment continues until terminated in accordance with the terms of the agreement. The terms of the agreement can be amended by mutual agreement of the parties. Lazard may terminate the appointment of LAM by giving 60 days prior written notice. There are also certain circumstances, such as insolvency events, where the agreement terminates immediately. LAM is entitled to all fees accrued up to the date of termination but is not entitled to compensation in respect of such termination. Lazard is not currently aware of any relevant significant adverse regulatory findings against LAM.

#### Investment objective

The Fund seeks to provide a risk-adjusted total return from income and capital growth. It is benchmark unaware and has the ability to invest across the emerging market debt universe.

**Minimum suggested time frame for holding the investment, risk level and suitability**

The minimum suggested time frame for holding an investment in the Fund is at least 5 years. The risk level for the Fund is high which means based on the Fund’s investment strategy, the Fund has a high probability of negative returns over shorter time periods but may achieve higher returns over the long term.

The Fund is suitable for investors seeking an investment return objective similar to the Fund and are comfortable with the risks of investing and the investment time frame as described in this PDS. In addition, the Fund has a target market determination (“TMD”) which sets out further information on the class of investors for whom the Fund, including its key attributes, would likely be consistent with that class of investor’s likely objectives, financial situation (including the proportion of the Fund as a component of their total investable assets) and needs (“target market”). Investors should read and understand the target market when considering investing in the Fund. The TMD is available at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com). The TMD also provides that a retail investor must receive personal advice from a licensed financial adviser that the Fund is suitable for them, before they invest in the Fund. If you do invest in the Fund without receiving personal advice from a licensed financial adviser, we will ask you to provide a certificate confirming that you are a wholesale client within the meaning of s761G of the *Corporations Act 2001*, before we will accept your application and issue units to you.

**How we invest your money**

The Fund implements the investment strategy by investing directly in a portfolio of assets consistent with the investment strategy of the Fund. The investors’ money will be used to buy assets of the Fund and the investment manager of the Fund, LAM, buys and sell assets consistent with the Fund’s investment strategy.

Lazard will notify investors upon giving 30 days prior written notice if it changes the way of implementing the Fund’s investment strategy.

**Investment philosophy**

LAM’s Emerging Markets Debt team’s investment philosophy is founded on the belief that there are broad structural sources of inefficiency and long-term cyclical trends in emerging markets that create a wide range of opportunities for investors to exploit. LAM seeks to exploit these opportunities by distilling global macro-economic themes that impact emerging markets using fundamental analysis, as well as an understanding of cyclical trends and global supply and demand.

**Investment strategy**

The Fund seeks to achieve its investment objective and produce investment returns by pursuing a core debt strategy, with an emerging market focus, by gaining exposure to a diversified portfolio comprised primarily of:

- bonds and other debt securities, which are issued by emerging market companies or which are issued by governments, government agencies or supranational bodies of emerging market countries, or which are denominated in emerging market currencies or backed by emerging market debt. These debt securities may have a fixed or floating interest rate and may be investment grade (i.e. rated BBB or above by a ratings agency), non-investment grade (rated below BBB) or unrated, and/or
- derivatives including but not limited to:
  - credit default swaps;
  - futures;
  - forwards;
  - interest rate swaps;
  - options on foreign exchange; and
  - swaptions.

The following table lists the types of assets that the Fund does or may invest in. The indicative guidelines listed below are typical, expected ranges. The Fund may invest outside these ranges if consistent with the Fund’s core emerging markets debt strategy:

Type of Asset	Typical Allocation Range
Emerging markets debt securities including international government bonds and international corporate bonds	95%–100%
Cash used for investment purposes	0% to 75%
Derivatives exposure (combination of exchange traded and over the counter)	20% to 70%
Units or shares of managed investment schemes including exchange traded funds	There is no typical range for these assets
Other debt securities, preferred and common stock, debentures, convertibles and depository receipts	There is no typical range for these assets
Residual cash	0%-5%

At times a significant portion of the assets of the Fund may be held in cash and cash equivalents. This may be due to the Fund's use of derivatives and/or because LAM considers it appropriate to do so.

LAM considers emerging markets to be countries not included in the MSCI World Index. Issuances by companies or other entities not domiciled in emerging markets, but have a significant portion of their net assets in, and/or derive a significant proportion of their sales from emerging markets may be included in the Fund. The Fund may also invest in frontier markets. Frontier markets are a subset of emerging markets and are characterised by factors such as lower capitalisation companies, market regulation and liquidity. The Fund may invest in instruments denominated in any currency and may invest in cash and cash equivalents.

The Fund may also invest in units or shares of managed investment schemes including exchange traded funds where such investment is consistent with the investment objective of the Fund.

In circumstances where LAM considers that investment in emerging markets offer insufficient opportunities to maximise returns for the Fund, the Fund may invest in debt securities, units or shares in managed investment schemes and/ or other securities (preferred and common stock, debentures, convertibles and depository receipts) which do not provide exposure to emerging market companies or to emerging market countries. Any such investments will at all times be ancillary to the Fund's core emerging markets debt strategy and will primarily be undertaken either as a hedge to an emerging market risk or as a correlated substitute for an emerging market investment.

**Location**

Apart from the descriptions given in the Investment strategy section above, the Responsible Entity does not have any specific policies on the geographic location of the Fund, its manager, or the geographic focus of where the Fund invests. The Responsible Entity does not consider as of the date of the PDS, that the Fund holds a material asset in any geographic location, that needs to be specifically disclosed.

**Custodial arrangements**

Lazard has appointed State Street Australia Limited as custodian to hold the assets of the Fund. The principal activity of the custodian is to provide trustee and custodial services for the Fund. The custodian is responsible for the safe-keeping of all the Fund's assets.

**Changes to the investment strategy**

The Fund's investment strategy as described in this PDS can change. There are a number of ways the strategy may change, including but not limited to, a change in the level of leverage and the types of securities the Fund can or is excluded from investing in. Changes to the Fund's investment strategy are at the discretion of the Responsible Entity, and such changes will take effect upon giving 30 days prior written notice to investors.

**Diversification guidelines**

The Fund does not have specific limits for sector, industry and credit considerations. The guidelines for the Fund are designed to allow for flexibility in portfolio construction, while minimising large, concentrated positions. The indicative guidelines listed below are typical, expected ranges:

Hard Currency Exposure Ranges	0%–100%
Local Currency Exposure Ranges	0%–100%
Corporate Exposure Ranges	0%–35%
Cash Exposure Ranges	0%–75%
Derivatives Exposure Ranges	20%–70%
Duration Ranges	0–7 years

**Key dependencies**

There are key dependencies and assumptions underpinning the Fund's ability to produce investment returns such as market conditions, interest rates, the macroeconomic environment and exchange rates. These are discussed in more detail under the "Investment risks" section of this PDS.

In addition, the achievement of the investment objective relies on the portfolio management team's investment skills and there is a risk that the portfolio management team may not successfully select profitable investments, manage risk or perform in a manner to which the investments have historically performed or were intended to perform. This may have an adverse effect on the performance of the Fund.

**Key aspects of the Fund's risk management strategy**

The portfolio management team has primary responsibility for the risk control of the Fund and seeks to identify and manage unintended risk through the use of various risk controls. In addition, LAM's Global Risk Management team, independent from the portfolio management team, produces and analyses various reports on certain portfolio risks. Diversification guidelines and portfolio limits are forms of both position-by-position and overall portfolio risk control. Constraints include (but are not limited to):

- Concentration limits, which include diversification across macro themes that drive returns, limits on individual country exposure and limits on counterparty concentration;
- Liquidity management, including limits on illiquid positions/small issue sizes, absolute duration management and use of staggered maturities; and
- Downside return constraints on single countries and portfolio wide.

Investment process

The investment process begins with the development of global macroeconomic themes that inform LAM’s decision-making and portfolio construction process. These themes are based on top-down analysis of developed and emerging markets fundamental data, cyclical trends, and global supply and demand.

LAM’s portfolio construction process combines 12-month forward projections of expected returns and volatilities for each country in its investable universe. LAM also forecast returns/volatilities for the corporate debt asset class and US treasuries.

Given the projections listed above as well as internal guidelines, an iterative process is used to create portfolios. These projections are a tool used as a framework to determine country and asset class allocations. LAM builds a portfolio based upon the target asset class and country exposures, while keeping in mind particular guidelines, liquidity and the results of its ongoing risk monitoring.

Investments

Lazard has broad investment powers under the constitution which it will exercise in accordance with its duties as Responsible Entity to seek to meet the Fund’s investment objective as stated in this PDS.

LAM as investment manager may take into account a variety of considerations where we believe it to be financially material, including but not limited to, labour standards or environmental, social, corporate governance or ethical considerations, where we believe these may impact the company’s value. We are a signatory to the United Nations supported Principles for Responsible Investment (“PRI”) which provides a framework for integrating environmental, social and governance issues into the investment decision making process. However, the Fund does not pursue a sustainable investment strategy or have a sustainable investment objective, or is marketed as a sustainability related product. The Fund is not designed for investors who wish to screen out particular types of companies or investments or are looking for funds that meet specific environmental, social (which includes labour standards) and governance (“ESG”) goals.

Fund structure



The investors’ money will be used to buy assets of the Fund and LAM, the investment manager of the Fund, buys and sell assets consistent with the Fund’s investment strategy. Units in the Fund are issued to investors for their money invested in the Fund based on the relevant application price at which they were issued and a record of the number of those units is kept by the administrator for the Responsible Entity. Units in the Fund may be withdrawn based on the relevant withdrawal price of the units calculated in accordance with the constitution of the Fund.

The portfolio management team is a specialist emerging markets debt team and Denise Simon and Arif Joshi have worked together since 2001 (at other companies and at LAM since 2010) through various economic cycles following the same investment strategy. The portfolio management team is also able to draw upon Lazard’s extensive emerging market resources.

Lazard has the power to create different classes of units in the Fund. The Fund currently has only one class of units, called the “I” Class and this PDS is for the issue of units in this class. Lazard may in the future create other classes of units and must treat unitholders in different classes fairly. The units in each class generally have the same rights, however the Management fees and costs for each class may vary and a separate daily unit price will be determined for each class. Lazard will determine which class of units are issued to an investor who makes an initial application in the Fund and will notify unitholders accordingly.

**Key service providers**

The key service providers for the Fund are LAM, as the Fund investment manager and State Street Australia Limited as the custodian and administrator for the Fund. Lazard has written agreements with each of these key service providers, on arm’s length terms, which sets out the services and service standards that each service provider provides to the Fund and monitors the provisions of these services and service standards through email communication, site visits and regular formal written certifications as to compliance with the agreement. LAM is a related party of Lazard. State Street Australia Limited is not a related party of Lazard. Lazard and State Street Australia Limited are Australian incorporated companies. LAM is a limited liability company incorporated in Delaware USA.

Key Service Provider	Function	Scope of Service
Lazard Asset Management LLC	Investment Manager	To manage the assets of the Fund in accordance with the Fund’s investment strategy described in the PDS.
State Street Australia Limited	Administrator	To provide administration functions including portfolio valuations, investment accounting and unitholder registry services for the Fund.
	Custodian	To hold the assets of the Fund.

**Risks of the Fund structure**

The Fund is a managed investment scheme registered with ASIC and is governed by a constitution and the *Corporations Act 2001* which provides the terms and conditions under which the Fund operates and sets out the rights, liabilities and obligations of unitholders and Lazard. The primary risk of such managed investment schemes is that the Responsible Entity does not comply with the constitution and/or the *Corporations Act 2001* to the detriment of investors.

**Liquidity**

Under normal trading conditions, Lazard expects that at least 80% of the Fund’s assets are capable of being realised, at the value ascribed to them in calculating the Fund’s NAV, within 10 days.

The *Corporations Act 2001* regulates withdrawals from managed investment schemes and sets out requirements that will apply to withdrawals from the Fund if it is not “liquid”. A Fund is not “liquid” if liquid assets do not account for at least 80% of the value of scheme property. Liquid assets are assets that Lazard reasonably expects can be sold for market value within the period specified in the constitution to satisfy withdrawal requests. The Responsible Entity does not anticipate that the Fund will be illiquid for these purposes.

The Fund has daily liquidity which means that investors can generally make applications and/or redemptions each business day. LAM is careful to manage liquidity risk by generally investing in liquid, tradable emerging markets securities, diversifying the portfolio and monitoring counterparty trade exposure.

**Use of leverage**

Leverage is where the Fund has exposure to securities greater than the value of the assets of the Fund. It is intended that the Fund will engage in leverage through trading derivatives.

The types of derivatives that the Fund may trade are set out in the next section “Derivatives” and the types of leverage providers are explained in “Criteria for Engaging Derivative Counterparties” below. It is not currently intended that the Fund will borrow to gain exposure to investments.

The anticipated maximum level of the Fund’s leverage will be 250% of the Fund’s net asset value. In normal circumstances the typical indicative leverage level is 140% of the Fund’s net asset value. In this context, leverage is a measure of the aggregate derivative usage and is calculated as the sum of the notional exposure of the derivative instruments used. During the 1 year period to 30 June 2024, the gross notional exposure of the derivatives for the Fund ranged from 123.9% to 147.4%. It is not currently intended that the Fund will engage in short selling of securities held in the Fund.

The types of leverage and the limits on leverage used by the Fund are consistent with Lazard’s investment policy in relation to acceptable types of leverage and limits on leverage for the investment strategy for the Fund. As the Fund gains its leverage through the use of derivatives, the providers of the leverage are the counterparties to the derivatives contract. See under ‘Derivatives’ and ‘Criteria for Engaging Derivative Counterparties’ below for further information regarding the types of counterparties used by the Fund.

**Example of leverage**

Leverage can increase the risk and return of your investment. The use of leverage in the Fund will magnify any losses as well as any returns from an investment in the Fund.

For example, assume a \$50,000 investment into the Fund. If the Fund was not leveraged, the \$50,000 investment would provide exposure of the Fund to assets with a value of \$50,000; a 10% decrease in value of the assets would mean a reduction of \$5,000 in the investment value, and 10% increase in value of the assets would mean an increase of \$5,000 in the investment value.



If it is expected that the Fund will be leveraged, with an anticipated maximum level of leverage of 250%, the same \$50,000 investment would obtain a gross exposure value to \$125,000 in assets. The impact of a 10% decrease in value of the assets would mean a reduction of \$12,500 in the investment value and a 10% increase in value of the assets would mean an increase of \$12,500 in the investment value.

Please refer to "Risks relating to derivatives" on page 13 for further information.

### Derivatives

A derivative is a financial instrument which derives its value from the value of underlying entities such as an asset, index, or interest rate. Derivatives may be used in pursuit of the Fund's investment objectives at the discretion of the portfolio management team, to gain exposure to assets, to reduce risk within the Fund or to manage currency risk. Derivatives however do not remove all risks, including currency risks, within the Fund. Using derivatives involves special risks including the possible default by the other party to the transaction, illiquidity and to the extent LAM's assessment of certain market movements is incorrect, losses magnified.

The primary derivatives that the Fund may gain exposure to are as follows:

- forwards (foreign exchange forwards, including non-deliverable currency forwards);
- swaps (credit-default swaps, interest rate swaps, total return swaps and foreign exchange swaps);
- credit-default swap indices;
- options (currency options, bond options, credit default swap options and options on indices); and
- futures (bond futures, currency futures, futures on government securities, bond/credit index futures, interest rate futures).

The following derivatives may also be used to a limited extent:

- swaptions (interest rate swaptions); and
- credit-linked note.

Where economically appropriate or required, collateral may be posted to the counterparty by the Fund as security for a derivative transaction. Where this is the case, a daily statement confirming the collateral will be received. The risks in having to post collateral is that the counterparty may not be able to perform their side of the transaction and we are not able to get the collateral back. This risk is managed by only dealing with highly rated counterparties.

Derivatives invested in may be exchange traded or OTC. Lazard has policies in place covering the use of derivatives, the controls on their use and the processes for assessing compliance with those controls.

### Criteria for Engaging Derivative Counterparties

LAM's trading systems permit trading only with approved brokers. Brokers are added to this list subject to a formal review process which includes a review of the broker's financial strength and standing in the financial community.

The broker monitoring process is accomplished through a variety of ongoing activities, including the assessment of regulatory filings and financial statements.

### Currency hedging

Currency hedging may be used at two levels in pursuit of the Fund's investment objectives as more fully described below.

The Fund may engage in currency hedging transactions, using derivatives such as forward foreign exchange contracts, with the objective of protecting the value of specific portfolio positions or in anticipation of changes in the relative values of the currencies in which current or future portfolio holdings are denominated or quoted. For example, the Fund may engage in currency hedging transactions in order to offset the currency exposure arising as a result of investments in its portfolio being denominated in currencies different from its base currency (US dollars), or to protect against movements in currency exchange rates between the contract date and the settlement date of a purchase or sell of a security, or to "lock in" the equivalent of a dividend or interest payment in another currency.

Currency hedging transactions will also be used with the objective of providing protection against movements of the Fund's base currency (US dollars) relative to the Fund's unit price which is denominated in Australian dollars.

### Benefits of investing in the Fund

The significant features of the Fund are that it has a professionally managed active investment strategy and it gives investors access to the returns available from the Fund's investments in emerging markets debt.

Lazard believes some of the significant benefits of investing in the Fund are:

- 1 Investment return – the Fund aims to achieve a return for investors that meets or exceeds the Fund’s stated investment return objective.
- 2 Expertise – the Fund is managed by a team of investment professionals who have many years of experience managing emerging markets debt strategies. They also have access to LAM’s global investment professionals.
- 3 Liquidity – investors have timely access to their investment and are normally provided with daily Fund valuations (daily unit prices).
- 4 Systems – the investment professionals have access to investment and risk management systems and processes to which ordinary investors usually do not have access.
- 5 Access to investments – multiple investors can be pooled into a relatively large fund which provides investors with access to investment opportunities, markets and diversity which they usually cannot achieve by investing on their own.
- 6 Reporting - regular reporting is provided to investors including balances, fact sheets and AMMA statements.

#### Changes to Fund Details

Lazard has discretion to change the investment strategy and/or the investment manager, to close the Fund to new investments (including from existing investors), to increase fees, to waive or increase the minimum initial and further investment amounts and holding balance requirement and to terminate the Fund. Lazard will notify unitholders of these changes or any other material change or significant event if required by the *Corporations Act 2001* and the Fund’s constitution, as applicable.

## Section 4

### Investment risks

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 risk. The value of the investments in the Fund will vary. The level of returns will vary and future returns may differ from past returns. Returns are not guaranteed and investors may lose some of their money. Laws affecting registered managed investment schemes may change in the future. The level of risk for each person will vary depending on a range of factors including their age, investment time frames, where other parts of the investor’s wealth are invested and the investor’s risk tolerance.

Risk management is integral to LAM and Lazard’s overall approach to managing assets. LAM’s investment processes are designed to manage risk at a number of different levels. However, investors should be aware not all risks are foreseeable and they may experience a capital loss on their units. Further there may be periods where the Fund does not distribute any income.

The specific and significant risks of the investment strategy and investing in the Fund include:

#### Market risk

Investors should be aware that investments are subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of investments will occur or that the investment objectives of the Fund will actually be achieved. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested in the Fund. An investment should only be made by those persons who are able to sustain a loss on their investment.

#### Macro risk

The value of an investment in the Fund may be affected by factors such as interest rates, financial market volatility, economic cycles and economic climate, pandemics, political events, government policy and taxation and regulatory change. In an uncertain economic environment, the likelihood of a macroeconomic event occurring which impacts the market, can be higher than in a more stable environment.

#### Geopolitical risk

Geopolitical risks such as the risk associated with war, political upheavals, intercountry tensions and terrorism, can also impact the value of the Fund’s investment. For example, a geopolitical event such as a war may lead to governments imposing sanctions, whether economic or otherwise, on another country (sanctioned country) that may impact the Fund’s ability to trade securities connected to that sanctioned country or impact on the value of such securities. In addition, geopolitical events can impact more broadly on global macroeconomic events, which can also affect the value of securities owned by the Fund.

#### Emerging markets risk

The Fund through its exposure to emerging markets may be subject to the following risk factors:

##### Political and economic factors

There is, in some emerging market countries, a higher than usual risk of nationalisation, expropriation or confiscatory taxation, any of which might have an adverse effect on the value of investments in those countries. Emerging market countries may also be subject to higher than usual risks of political changes,

government regulation, social instability or diplomatic developments (including war) which could adversely affect the economies of the relevant countries and thus the value of investments in those countries.

The economies of many emerging market countries can be heavily dependent on international trade and accordingly have been and may continue to be adversely affected by trade barriers, managed adjustments in relative currency values, other protectionist measures imposed or negotiated by the countries with which they trade and international economic developments generally.

### Counterparty risk and liquidity factors

There can be no assurance that there will be any market for any investments acquired by the Fund or, if there is such a local market, that there will exist a secure method of delivery against payment which would, in the event of a sale by or on behalf of the Fund, avoid exposure to counterparty risk of the buyer. It is possible that, even if a market exists for such investment, that market may be highly illiquid. Such lack of liquidity may adversely affect the value or ease of disposal of such investments. There is a risk that counterparties may not perform their obligations and that settlement of transactions may not occur.

The payment systems used for settlement of transactions, and processing payments, for any investments acquired by the Fund may be subject to force majeure events, delays, injunctions and other prohibitions and there can be no assurance regarding how the courts or agencies of emerging market countries, or countries through which these payments are to be effected, will decide these issues.

### Legal factors

The legislative framework in emerging market countries for the purchase and sale of investments and in the ownership of those investments may be relatively new and untested and there can be no assurance regarding how the courts or agencies of emerging market countries will decide these issues.

There is no guarantee that any arrangements made, or agreement entered into, between the custodian of the portfolio in the Fund and any correspondent (i.e. an agent, sub-custodian or delegate) will be upheld by a court of any emerging market country, or that any judgement obtained by the custodian or the Fund against any such correspondent in a court of any jurisdiction will be enforced by a court of any emerging market country.

### Reporting and valuation factors

There can be no guarantee of the accuracy of information available in emerging market countries in relation to investments which may adversely affect the accuracy of the value of the Fund's assets. Accounting practices are in many respects less rigorous than those applicable in more developed markets. Similarly, the amount and quality of information required for reporting by companies in emerging market countries is generally of a relatively lower degree than in more developed markets.

### Exchange control and repatriation factors

It may not be possible for the Fund to repatriate capital, dividends, interest and other income from emerging market countries, or it may require government consents to do so. The Fund could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

### Settlement factors

There can be no guarantee of the operation or performance of settlement, clearing and registration of transactions in emerging market countries nor can there be any guarantee of the solvency of any securities system or that such securities system will properly maintain the registration of the custodian in respect of the portfolio of the Fund as the holder of securities. Where organised securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing and registration of transactions in securities where these are acquired other than as direct investments. Furthermore, due to the local postal and banking systems in many emerging market countries, no guarantee can be given that all entitlements attaching to quoted and OTC traded securities acquired by the Fund, including those related to dividends, can be realised.

Some emerging markets currently dictate that monies for settlement be received by a local broker a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement. This exposes the assets in question to risks arising from acts, omissions and solvency of the broker and counterparty risk for that period of time.

### Custody factors

Local custody services remain underdeveloped in many emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances the Fund may not be able to recover some of its assets. Such circumstances may include any acts or omissions or the liquidation, bankruptcy or insolvency of a sub-custodian, retroactive application of legislation and fraud or improper registration of title. The costs borne by the Fund in investing and holding investments in such markets will generally be higher than in organised securities markets.

### Frontier markets risk

The Fund may also invest in frontier markets. Frontier markets are a subset of emerging markets and are characterised by factors such as lower capitalisation companies, market regulation and liquidity.

When investing in frontier markets, the risks of investing in other emerging markets as described are all magnified.

### Debt security risk

The Fund through its exposure to debt securities may be subject to the following risk factors:

#### Credit risk

The actual or perceived reduction in the creditworthiness of debt issuers generally will have adverse effects on the values of their debt securities. Credit risk is the risk that the issuer or guarantor of a debt security or counterparty to the Fund's investments will be unable or unwilling to make timely principal and/or interest payments, or otherwise will be unable or unwilling to honour its financial obligations. The Fund may be subject to credit risk to the extent that it invests in debt securities or engages in transactions, such as securities loans or repurchase agreements, which involve a promise by a third party to honour an obligation to the Fund. Credit risk is particularly significant in the event that the Fund invests a material portion of its assets in "junk bonds" or lower-rated securities.

#### Interest rate risk

The price of a bond or a fixed income security is dependent upon interest rates. Therefore, the unit price and total return of a fund investing a significant portion of its assets in bonds or fixed income securities will vary in response to changes in interest rates. A rise in interest rates causes the value of a bond to decrease, and vice-versa. There is the possibility that the value of the Fund's investment in bonds or fixed income securities may fall because bonds or fixed income securities generally fall in value when interest rates rise. The longer the term of a bond or fixed income instrument, the more sensitive it will be to fluctuations in value from interest rate changes.

#### Lower rated and unrated securities risk

Bonds rated below investment grade (i.e. bonds rated less than BBB) are speculative in nature, involve greater risk of default by the issuing entity and may be subject to greater market fluctuations than higher rated fixed income securities. They are usually issued by companies without long track records of sales and earnings, or by those companies with questionable credit strength. The secondary market for these below investment grade bonds may be less liquid than that of higher rated securities and adverse conditions could make it difficult at times to sell certain securities or could result in lower prices than those used in calculating the Fund's net asset value.

Through investing in below investment grade bonds, the Fund may also be subject to greater credit risk because it may invest in debt securities issued in connection with corporate restructuring by highly leveraged issuers or in debt securities not current in the payment of interest or principal or in default.

Also below investment grade bonds may contain redemption or call provisions. If an issuer exercises these provisions in a declining interest rate market, the Fund would have to replace the security with a lower yielding security, resulting in a decreased return. Conversely, a below investment grade bond's value will decrease in a rising interest rate market, as will the value of the Fund's assets.

If the Fund experiences unexpected net redemptions, this may force it to sell its below investment grade bonds, without regard to their investment merits, thereby decreasing the asset base upon which the Fund expenses can be spread and possibly reducing the Fund's rate of return.

Unrated securities consist of rateable securities and instruments that have not been rated by a Nationally Recognised Statistical Rating Organisation. Unrated securities do not necessarily indicate low quality.

### Leverage risk

When the Fund borrows money or otherwise leverages its holdings, for example, where it utilises derivatives, the value of an investment in the Fund will be more volatile and all other risks will tend to be compounded.

### Liquidity risk

Some securities in which the Fund will invest, especially those of companies which have a smaller total market capitalisation, may be thinly traded and, therefore, have to be sold at a discount from current market prices or sold in small lots over an extended period of time.

### Currency risk

As the assets and liabilities of the Fund may be denominated in currencies different to the Fund's base currency, the Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the base currency and other currencies. Changes in currency exchange rates may influence the value of the Fund's shares, the dividends or interest earned and the gains and losses realised. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions.

If the currency in which a security is denominated appreciates against the base currency, the value of the security will increase. Conversely, a depreciation in the exchange rate would adversely affect the value of the security.

The Fund may engage in foreign currency transactions in order to hedge against currency exchange risk; however there is no guarantee that hedging or protection will be achieved. This strategy may also limit the Fund from benefitting from the performance of the Fund's assets if the currency in which the securities held by the Fund rises against the Fund's base currency.

**Risks relating to derivatives**

The Fund may use derivatives, and these derivative positions may be executed either on an organised exchange or OTC. Lazard has policies in place covering the use of derivatives, the controls on their use and the processes for assessing compliance with those controls. Derivatives tend to have a greater volatility than the securities to which they relate and, correspondingly, they bear a greater degree of risk. The primary risks associated with the use of derivatives are (i) failure to predict accurately the direction of the market movements, (ii) market risks, for example, lack of liquidity or lack of correlation between the change in the value of the underlying asset and that of the value of the Fund's derivatives and (iii) operational risk, for example, the risk of direct or indirect loss resulting from inadequate or failed processes, people and systems or from external events. These techniques may not always be possible or effective in enhancing returns or mitigating risk. The Fund's investment in OTC derivatives is subject to the risk of counterparty default. In addition, the Fund may have to transact with counterparties on standard terms which it may not be able to negotiate and may bear the risk of loss because a counterparty does not have the legal capacity to enter into a transaction, or because the transaction becomes unenforceable due to relevant legislation and regulation. To the extent that the Fund invests in derivatives, it may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default.

**Section 5**

**Fees and other costs**

**DID YOU KNOW?**

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

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$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 fees. 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) Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

The ASIC managed funds fee calculator can be used to calculate the effect of fees and costs on your account balance.

The information in the above box is standardised across all product issuers and does not provide information which relates specifically to fees and costs in this Fund and, therefore, does not reflect the fees and costs you will be charged. Please refer below for information specifically on this Fund.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

## Fees and costs summary

LAZARD EMERGING MARKETS TOTAL RETURN DEBT FUND		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs</b>		
<i>Management fees and costs</i> The fees and costs for managing your investment	Estimate: 0.81% p.a. of the Net Asset Value (NAV) comprising: 1. Management Fee: 0.80% p.a. of the Net Asset Value (NAV). The Management Fee is negotiable.*  2. Indirect Costs: Estimated at 0.01% p.a. of the NAV.**	The management fees and costs will be paid as follows: 1. The Management Fee is calculated and accrued daily in the unit price and payable to the Responsible Entity from the assets of the Fund at the end of each month. 2. Indirect Costs are paid from the assets of the Fund as and when they are incurred for the costs of derivatives used as a means of achieving the Fund's investment strategy and reflected in the unit price. Currently, Indirect Costs that are normal operating costs are paid from the Management Fee.
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	Nil <sup>^</sup>	Not applicable
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	Estimate: 0.00% of the NAV***	Deducted from the Fund when assets are acquired or sold for the purpose of the Fund pursuing its investment strategy.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the Fund)</b>		
<i>Establishment fee</i> The fee to open your investment	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	Not applicable
<i>Buy-sell spread</i> An amount deducted from your investment representing costs incurred in transactions by the scheme	Estimate: 0.30% #	Added to the unit price to calculate the application price when an investor makes an application and subtracted from the unit price to calculate the withdrawal price when an investor makes a withdrawal from the Fund.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not applicable
<i>Exit fee</i> The fee to close your investment	Nil	Not applicable
<i>Switching fee</i> The fee for changing investment options	Nil	Not applicable

All fees quoted above are inclusive of any GST, applicable stamp duty and net of any applicable reduced input tax credit (i.e. the GST component of the fee has been reduced by an estimate of the input tax credit or reduced input tax credit available to the Fund). For further general information on the tax implications of this Fund please see the 'Tax information' section on page 19 of the PDS.

\* The amount of this fee may be negotiated with professional and wholesale investors and employees of Lazard or a related body corporate. For further information, see under 'Negotiation of Fees' below.

- \*\* It is intended that all proposed investments in the Fund will be the end investments to which exposure is sought, rather than the means by which the benefit of an investment is obtained. Accordingly, there are no costs of interposed vehicles that need to be included as Indirect Costs. Further, all Recoverable Expenses that are normal operating costs will be paid from the Management Fee and at the time of preparing this PDS we do not anticipate that there will be Recoverable Expenses that are Extraordinary Expenses. For further information, see under 'Indirect Costs' in the 'Additional explanation of fees and costs' below.
- \*\*\* This reflects an estimate of the total Transaction costs after deduction of amounts recovered through the buy-sell spread. For further information see under 'Transaction Costs' in the 'Additional explanation of fees and costs' below.
- # For further information on the buy-sell spread see under 'Transaction Costs' in the 'Additional explanation of fees and costs' section below. We may vary the buy-sell spread from time to time in circumstances where 30 days' notice may not reasonably be provided. For updated buy-sell spread information, visit [ww.lazardassetmanagement.com](http://ww.lazardassetmanagement.com), and click on 'Updated Information'.
- ^ While Lazard has the right to charge a performance fee under the constitution for the Fund, it will not be charging a performance fee during the life of this PDS.

**Example of annual fees and costs**

This table gives an example of how the ongoing annual fees and costs in this product can affect your investment over a 1 year period. You should use this table to compare this product with other products offered by managed investment schemes.

Example for the Fund		Balance \$50,000 with a contribution of \$5,000 during the year
Contribution Fees	0%	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management fees and costs#	0.81% p.a. of the NAV*	And, for every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$405 each year.
PLUS Performance fees	Nil	And, you will be charged or have deducted from your investment \$0 in performance fees each year.
PLUS Transaction costs	0.00% of the NAV***	And, you will be charged or have deducted from your investment \$0 in transaction costs.
EQUALS Cost of fund	0.81% p.a. of the NAV	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000* during that year, you would be charged fees and costs of \$405.** What it costs you will depend on the fees you negotiate.

- \* Assumes Management Fee of 0.80% p.a. of Net Asset Value and Estimated Indirect Costs of 0.01% p.a.
- \*\* Assumes \$5,000 investment occurs on the last business day of the year.
- \*\*\* Assumes that the investment balance remains constant throughout the year. In reality, your actual investment balance will vary daily with the daily variation of the NAV of the Fund, and the actual fees and expenses charged to the Fund which are based on the Fund's NAV, will therefore also vary daily. Additional charges may apply, such as a 'buy-sell spread' when you contribute to or withdraw from the Fund. For further information on the buy-sell spread, Extraordinary Expenses and Transaction costs, see 'Additional explanation of fees and costs' below.
- # The Management fees and costs for the Fund include the Management Fee and Estimated Indirect Costs calculated as shown in the Fees and cost summary. The amount of the Management Fee may be negotiated with professional and wholesale investors and employees of Lazard or a related body corporate. See 'Additional explanation of fees and costs' below for further information.

**Additional explanation of fees and costs**

**Management fees and costs**

The Management fees and costs for the Fund are 0.81% p.a. of the NAV and are made up of the Management Fee and Estimated Indirect Costs and do not include the Transaction costs of the Fund.

**Management Fee**

The Management Fee is calculated as an annual percentage of the net asset value of the Fund, calculated and accrued daily and payable to the Responsible Entity from the assets of the relevant Fund at the end of each month. From the Management Fee we currently pay all costs for management of the Fund and all normal operating expenses (see section "Normal Operating Expenses" below for more information).

### Performance Fee

Lazard has the right to charge a performance fee under the constitution for the Fund, but it will not be charging a performance fee during the life of this PDS. While the Fund previously had a performance fee, the average of the Fund's performance fee for the previous five financial years is zero.

### Indirect Costs

Indirect Costs are any amounts paid from the assets of Fund that we know or, where required, reasonably estimate will directly or indirectly, including through interposed vehicles (where applicable) reduce the returns of the Fund and include Recoverable Expenses that are not otherwise deducted from the Management Fee and Transaction costs as discussed further below.

The Management fees and costs set out in the PDS for each Fund may include an estimated amount of Indirect Costs expressed as an annual percentage of the net asset value of a Fund in circumstances where there may be Indirect Costs other than those which we pay for from the Management Fee.

Except where stated otherwise, the Indirect Costs are estimated using the amount of Indirect Costs for the Fund for the previous financial year, including the Responsible Entity's estimates where information was unavailable at the time this document was issued. If the Responsible Entity reasonably considers that the calculation of the Indirect Costs in this manner will not result in a reasonable estimate of such costs on an ongoing basis it will make such adjustments as it considers are appropriate. The Indirect Costs that are deducted from the Fund (or interposed vehicle, if applicable) will vary from year to year to reflect the actual costs incurred.

### Recoverable Expenses

#### *Normal Operating Expenses*

We currently pay all normal operating expenses of the Fund including custody fees, audit fees, administrator fees, accounting fees, compliance committee fees, legal and regulatory fees and costs for any derivatives (not including those used for hedging purposes) but excluding Extraordinary Expenses from the Management Fee and will not, without notice, recover these from the Fund.

#### *Extraordinary Expenses*

We may recover Extraordinary Expenses (such as costs of unitholder meetings, changes to the Fund's constitution and defending or pursuing legal proceedings) from the Fund. We anticipate that the events that give rise to such expenses will not occur regularly. Extraordinary Expenses, if recovered, will be paid from the Fund's assets when they are incurred. In circumstances where such events do occur, we may decide not to recover these Extraordinary Expenses from the Fund. No allowance has been made for Extraordinary Expenses in the Management fees and costs set out in the Fees and costs summary table as no such expenses were anticipated at the time this PDS was prepared.

### Transaction Costs

Transaction costs are costs in the buying and selling of the Fund's assets, including brokerage, buy/sell spreads, settlement costs, stamp duty, costs of derivatives used for hedging purposes, GST and other taxes and the Transaction costs of any interposed vehicles (e.g. underlying funds). Transaction costs do not include the costs of acquiring and disposing of derivatives for the purposes of the investment strategy or any borrowing costs, property operating costs, implicit transaction costs or market impact costs.

Transaction costs are calculated using the Transaction costs for the Fund for the previous financial year, including the Responsible Entity's estimates where information was unavailable at the time this document was issued. If the Responsible Entity reasonably considers that the calculation of Transaction costs in this manner will not result in a reasonable estimate of such costs on an ongoing basis it will make such adjustments as it considers are appropriate. Transaction costs that are deducted from the Fund (or any interposed vehicle if applicable) will vary from time to time to reflect the actual Transaction costs incurred.

### Buy-Sell spread

Where Transaction costs are incurred as a result of buying and selling Fund assets for applications and withdrawals (as opposed to buying and selling assets to meet the Fund's investment strategy), an allowance for those expected costs may be added to, or subtracted from, the Fund's unit price in determining a purchase price (for applications) and a redemption price (for withdrawals) per unit. The difference between the purchase price and the redemption price is known as the buy-sell spread. The buy-sell spread is not a fee paid to us and is retained in the Fund to recover the Transaction costs of buying and selling Fund assets as a consequence of applications and withdrawals as they are incurred.

The current buy-sell spread of the Fund is 0.30%. Where the Transaction costs incurred by the Fund exceed the amount recovered through the buy-sell spread (i.e. the buy-sell recovery), the excess amount (i.e. the net Transaction costs) will be incurred by the Fund.

The estimated total Transaction costs for the last financial year were 0.006% p.a. of NAV. Transaction costs are calculated using the Transaction costs for the Fund for the previous financial year, and will vary from year to year reflecting the actual expenses incurred. This means that estimated and/or historical costs may not be an accurate indicator of the fees and costs an investor may pay in the future. This is because the turnover in



the Fund's assets may change from year to year as investment markets and conditions change, therefore affecting the level of Transaction costs incurred. The Transaction costs may also vary in future years, from the previous financial year, as the Fund is now investing directly in assets consistent with the Fund's investment strategy, rather than gaining exposure to these assets by investing in another fund managed by LAM.

The buy-sell spread may be varied from time to time in circumstances where 30 days' notice cannot reasonably be provided. For updated buy-sell spread information, visit [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com), and click on 'Updated Information'.

The estimated total Transaction costs, estimated buy-sell recovery and estimated net Transaction costs is set out in the table below. The information about Transaction costs in the 'Fees and costs summary' and the 'Example of annual fees and costs' tables in the PDS show the estimated net Transaction costs calculated as per below:

Estimated total Transaction costs (% p.a. of net asset value)	Estimated buy-sell recovery (% p.a. of net asset value)	Estimated net Transaction costs (% p.a. of net asset value) (i.e. estimated total Transaction costs - estimated buy-sell recovery)	For every \$50,000 you have in the Fund, you will likely incur approximately
0.06%	0.12%	0.00%	\$0

#### Distribution fees

Lazard may pay a distribution fee, if permitted by law, to an entity that assists in the distribution of the Fund. Such fees are not an additional charge to the Fund or to investors, but are paid by Lazard out of its own resources.

#### Negotiation of fees

For professional and wholesale investors and employees of Lazard or a related body corporate, Lazard may, in its discretion and, in accordance with ASIC policy, negotiate and agree a rebate or waiver of part of the Management Fee to a person who acquires an interest in the Fund in response to an offer made to them as a wholesale client within the meaning of section 761G of the *Corporations Act 2001* or to a person who is an employee of Lazard or a related body corporate. Any fee rebate or waiver is subject to Lazard determining that the giving of the rebate or waiver satisfies, or continues to satisfy, the requirements of ASIC policy.

Please see the 'Directory' for Lazard's contact details.

#### GST

All fees quoted above are inclusive of the net effect of GST (i.e. the GST component of the fee has been reduced by an estimate of the input tax credit or reduced input tax credit available to the Fund). For further general information on the tax implications of this Fund see the 'Tax Information' section on page 19 of the PDS for further details.

#### Right to change fees

Lazard reserves the right to change the fees and costs set out in this "Fees and other costs" section without investor consent up to the permitted maximums in the constitution. We will provide you with at least 30 days' prior notice of any increase in the fees and charges or introduction of any new fees and charges as permitted under the constitution if required by law (other than in relation to the buy-sell spread as to which please see the information under 'Transaction Costs' above).

#### Maximum fees

The constitution allows Lazard to charge a Management Fee up to a maximum of 5% p.a. of NAV.

The constitution allows Lazard to charge a Performance fee up to a maximum of 30% of the excess return of the Fund above the Hurdle Rate. The constitution specifies a minimum Hurdle Rate of 0% per annum. However, there is no current intention to charge a Performance Fee during the life of the current PDS for the Fund.

Further the constitution allows Lazard to charge Contribution, and Withdrawal fees of up to a maximum of 5% respectively of the monies being invested or withdrawn. However there is no current intention to charge these fees during the life of the current PDS for the Fund.

There is no maximum specified for Recoverable Expenses and Transaction costs which may be recovered from the Fund nor any maximum rate for the buy-sell spread set out in the Fund's constitution.

Lazard is also entitled to be reimbursed for any costs in establishing the Fund including the costs of production and distribution of this PDS. Lazard will not seek reimbursement for such costs.

#### Investors investing through a Platform

Investors investing through a Platform usually pay, in addition to the fees and charges outlined above, fees and charges imposed by the Platform operator. Investors investing through a Platform should contact the applicable Platform operator for information about their fees.

## Section 6

## General Information

**Investing through a Platform**

This PDS may be used by Platform operators as disclosure about the Fund for persons who are clients of a Platform. However, Platform clients should complete the form(s) required by the Platform operator to direct their investment to the Fund, rather than the Application Form for the Fund.

**Constitution**

The constitution of the Fund, together with relevant requirements of the *Corporations Act 2001*, contain the terms and conditions under which the Fund operates and sets out the rights, liabilities and obligations of unitholders and Lazard. These rights, liabilities and obligations may be affected by amendments to both the constitution and to the *Corporations Act 2001*.

Unitholders have a proportional beneficial interest in the Fund although they do not have any entitlement to any particular part of the Fund or to the assets of the Fund.

In addition to the unitholder rights which have been outlined throughout this PDS, some of the additional rights pursuant to the Fund's constitution and to the *Corporations Act 2001* are to:

- participate in the capital growth of the Fund;
- request the transfer of units;
- participate in the termination or the winding up of the Fund;
- call, attend and vote at unitholder meetings; and
- wind up the Fund, with the requisite support of other unitholders.

The constitution may be amended by Lazard:

- unilaterally if Lazard reasonably considers the change will not adversely affect unitholders' rights; or
- where the amendments have been approved by unitholders by special resolution.

Under the constitution of a Fund, a unitholder indemnifies and undertakes to keep Lazard indemnified for any tax payable by Lazard in complying with the AMIT Regime that reasonably relates to the unitholder ('AMIT indemnity'). Subject to this AMIT indemnity, unless a unitholder agrees otherwise, a unitholder is under no obligation to indemnify Lazard or any creditor of Lazard for any liabilities in connection with the Fund and a unitholder's liability to Lazard is to make payment for any unpaid part of the unitholder's units. This is designed to have the effect that the right, if any, of Lazard, or of a creditor of Lazard, to seek indemnity is limited to having recourse to the assets of the Fund. The effectiveness of a provision of this type is yet to be finally determined by the courts.

Subject to the *Corporations Act 2001*, Lazard has a full right of indemnity out of the Fund for all expenses, losses and liabilities in connection with acting as Responsible Entity of the Fund. This includes taxes payable by Lazard in complying with the AMIT regime resulting from an attribution made by Lazard. Subject to the *Corporations Act 2001*, where Lazard is liable, then its liability is limited to the assets of the Fund. The right of indemnity generally only applies in respect of any liability incurred by Lazard in the exercise of any power or the performance of any obligation in relation to the Fund consistently with the proper performance of its duties.

Specific details regarding unitholder liability and Lazard's rights of indemnity and the circumstances in which they operate can be found in the Fund's constitution.

Copies of the constitution may be obtained free of charge at the registered office of Lazard during normal business hours.

**Compliance Plan and Compliance Committee**

In accordance with the *Corporations Act 2001*, the Fund has a Compliance Plan, which provides the measures that will be applied by Lazard in operating the Fund to ensure compliance with the Fund's constitution and the *Corporations Act 2001*. The compliance plan has been lodged with ASIC and will be audited annually.

The Board of Directors of Lazard monitors compliance with the compliance plan through a compliance committee. The Fund's compliance committee consists of a majority of external members, which monitors compliance with the compliance plan. Breaches of the compliance plan are reported to the Board of Directors and, if required, to ASIC.

**Up to date information**

The information in this PDS is up to date at the time it was prepared. Information that is not materially adverse to unitholders may be updated from time to time by Lazard by including these changes under 'Updated Information' on our website at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com). Current information may be obtained by contacting your adviser or Platform operator (where you invest through a Platform) or by contacting Lazard or through our website at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com). Paper versions of the updated information are available free of charge by contacting Lazard.

### Unit pricing

Unit prices are generally calculated each business day based upon the net asset value of the Fund divided by the number of units on issue in the Fund. Application and withdrawal unit prices are then usually adjusted up (in the case of applications) and down (in the case of withdrawals) for the buy-sell spread, which is an estimate of the costs of buying and selling the underlying assets in the Fund. Lazard may exercise certain discretion when calculating the net asset value of the Fund and its policy for doing so is available from Lazard free of charge, upon request.

In order to efficiently manage applications and withdrawals that represent a material percentage of the Fund, Lazard reserves the right to utilise a temporary class of units, the transition class. In the case of cash applications, the monies will be invested in this transition class on the application date and held in this class until Lazard is comfortable that this class has a similar investment profile to the other classes in the Fund. At this point Lazard will transfer the assets in the transition class into one of the other classes in the Fund at the net asset value price for that class. In the case of withdrawals, assets to the dollar value of the withdrawal on the withdrawal date will be transferred into the transition class and will be sold down by Lazard in an orderly manner. Once all the assets in this transition class have been sold Lazard will pay the withdrawal proceeds to the unitholder.

### Discretions Policy

Lazard's policy on the exercise of its discretions, including in relation to calculating application and withdrawal unit prices, and allowance for expenses associated with acquiring Fund assets from application monies or working out amounts payable to a redeeming unitholder after disposing of Fund assets, is available from Lazard free of charge, upon request.

### Income distribution and reinvestment

The Fund will generally distribute to investors an amount equal to the taxable income of the Fund, if any, annually to investors in proportion to their unit holding as determined on the last business day of the distribution period. In the event this does not occur, the investor's cost base in the Fund will be adjusted and the amount of any adjustment will be included on the AMMA statement issued to investors. Where the Fund does not have any income accrued at financial year end, it may not make a distribution for that year.

Lazard may cause a special distribution to be made at any time during the year. Distributions can be paid into an investor's nominated Australian bank account or be reinvested in the Fund by election by completing the relevant section of the Application Form. Distribution payments cannot be made to a third party. If you do not nominate how you wish to receive your distributions, your distribution will be automatically reinvested as additional units in the Fund. Reinvested units will be issued at the ex-distribution net asset value unit price for that distribution period and will be issued on the first business day of the next distribution period. Unit prices fall after the end of the distribution period to reflect the distribution entitlements.

### Interests of the Lazard group

The Lazard group has various businesses with diverse interests. These businesses may include, but are not limited to, acting as an investment manager or investment adviser and as the operator of a fund. The Fund may enter into transactions in which another Lazard group entity acts as the principal or service provider and the Lazard group receives compensation or a fee or other benefits. Such compensation, fees or benefits may be payable either directly from the Fund or by Lazard from its own fees in respect of the Fund, subject to its right of indemnity out of the Fund for costs and expenses in respect of operating the Fund under the constitution. There may be times where a company may be an investment of the Fund, where another part of the Lazard group is acting as the investment adviser to that company and we may have differing views on the value of the company. To manage any potential conflicts of interest, Lazard as the Responsible Entity of the Fund will act in accordance with its policy on dealing with such conflicts including policies designed to limit the sharing and use of material, non-public information that may become available through these relationships.

LAM also has policies for the management of conflicts that may arise in relation to its role as investment manager for the Fund and other funds that follow the same or similar investment strategy.

### Tax information

Investing in a registered managed investment scheme is likely to have tax consequences. The information below is only a general summary of complex tax rules. Investors are strongly advised to seek professional tax advice.

The Fund has opted into the AMIT regime. Under the AMIT regime the Fund will generally not be liable for Australian income tax as the income is attributed to investors on a fair and reasonable basis in accordance with the Fund's constitution. Investors will receive an AMMA statement after the end of each financial year, which will show the income attributed to the investor for that particular year. For tax purposes, the investor will be required to include the amounts of income attributed to them as disclosed on the AMMA statement in preparing their tax return. It is expected that the Fund will generally distribute an amount equal to the taxable income of the Fund. In the event this does not occur, the investor's cost base in the Fund will be adjusted. The amount of any adjustment will be included on the AMMA statement issued to investors.

The Fund has made the capital election under the Managed Investment Schemes regime and consequently provided certain conditions are satisfied in the particular income year, the disposal of certain assets (i.e.

shares, units, certain rights and options) will be subject to the capital gains tax provisions when disposed of by the Fund. However, the investments held by the Fund are generally not assets that qualify for deemed capital gains tax treatment. Consequently, these investments will be taxed as revenue gains and losses. However, the disposal of units (e.g. by redemption or transfer) may give rise to the investor's own capital gains tax liability or capital loss. If your units are held for 12 months or more, you may be entitled to a capital gains tax discount. There are other relevant tax considerations applicable to the Fund's investments and an investor's tax position. For example, entitlement to foreign income tax offsets and whether, for tax purposes, the investor is an Australian resident. Distributions made or attributed to investors may be subject to non-resident or no-Tax File Number ("TFN") withholding tax. This amount will be withheld by the Responsible Entity from any distribution made by the Fund. Where the withholding tax amount is greater than the distribution to be paid to an investor, the Responsible Entity may redeem that investor's units to make up the shortfall, in accordance with the relevant provisions of the Fund's constitution.

The disposal by the Fund of interests in a foreign fund will give rise to a capital gain or loss. Any capital loss can only be offset against capital gains in the current year or future years. The resulting net capital gain (after offsetting capital losses) for gains arising as a result of interests which were held for more than 12 months distributed to certain Australian investors, may qualify for a capital gains tax discount.

GST is not payable on the issue, withdrawal or transfer of units in the Fund. However, the Fund may incur GST on fees charged in respect of services supplied to the Fund. Where available, the Fund will claim an input tax credit for some or all of the GST incurred on these services. In many cases, 55% or 75% of the GST will be recoverable on services acquired, depending on the nature of those services. Where the Fund has a substantial proportion of international assets, then it is more likely to be able to recover GST at a higher level than the 55% or 75% which might otherwise be available.

Under the Foreign Account Tax Compliance Act ("FATCA"), the Fund is required to collect and review information to determine whether it has an obligation to report information about certain investors in the Fund to the ATO (which will pass that information onto the IRS). Accordingly, the Fund will request certain information from you on the Application Form to enable the Fund to comply with its FATCA obligations.

The Fund will also provide information about its FATCA status where required so that FATCA withholding is not applied to payments received on its investments (e.g. dividends paid on U.S. listed securities). If the Fund suffers any amount of FATCA withholding and is unable to obtain a refund for such withholding, neither the Responsible Entity nor the Fund will be required to compensate you for any such withholding and the effects of these amounts will be reflected in the returns of the Fund. A credit for FATCA withholding may be available in your jurisdiction of residence. Investors should seek their own advice in this regard.

Under the Common Reporting Standard ("CRS"), laws passed by the Government as well as by governments around the world, designed to deter global tax evasion, the Fund is required to collect information from its investors and report account information of all foreign tax residents to the ATO. The ATO may then exchange this information with the foreign jurisdiction of which the investor is a tax resident (if that jurisdiction is also participating in the CRS). Accordingly, the Fund will request certain information from you on the Application Form to enable the Fund to comply with its CRS obligations. Further information on CRS can be found in the CRS portal at <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/>. The ATO has also provided guidance on FATCA and CRS which is available at <https://www.ato.gov.au/general/international-tax-agreements/in-detail/international-arrangements/automatic-exchange-of-information--crs-and-fatca/>.

This taxation information is a general summary only of a complex taxation system. We will send you the information you need each year to complete your tax return. We recommend you consult your financial or tax adviser for specific information about your tax position.

On your Application Form you may provide us with your TFN, or otherwise your TFN exemption. Alternatively, if you are investing in the Fund in furtherance of an enterprise, you may quote an Australian Business Number ("ABN"). It is not compulsory for you to quote a TFN, exemption or ABN, but if you do not then we are required to deduct tax from any distribution payable to you at the maximum personal tax rate plus Medicare levy and any other applicable Government charges.

Collection of TFNs is permitted by taxation and privacy legislation. For more information about TFNs, please contact your nearest Australian Taxation Office.

### Privacy

The main purposes for collecting your personal information are to issue units in the Fund, administer your unitholding, verify your identity, and to comply with our legal obligations in relation to your investment, including under our financial services licence. If you do not provide the required information, your application may not be processed. We may need to collect information about you from third parties to accept your application. We may disclose your personal information to our service providers, to your nominated advisers and to our related entities, including Lazard Asset Management LLC in the United States. We may also use your personal information to promote our products and services to you. If you do not wish to receive direct marketing communications from us, please contact Lazard's Privacy Officer on (02) 8274 1400 or by writing to the Privacy Officer at Lazard either by mail (see "Directory" on the last page for the address details) or by email to [privacy.officer@lazard.com](mailto:privacy.officer@lazard.com).

Our Privacy Policy explains how to seek access to or request correction of the personal information we hold about you, how to make a privacy complaint and how we deal with complaints. It is available on our website at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com).

#### Consent

LAM has given and has not withdrawn its consent to its name appearing in this PDS in the form and context in which it appears.

Other than the consent provided, LAM does not take any responsibility for any other part of this PDS and has not authorised or caused the issue of this PDS. LAM does not make any representation or give any warranty as to the completeness or appropriateness of any information contained in this PDS.

## Section 7

### How to apply

To make an initial application in the Fund, please complete the New Investor Application Form which is available by contacting Lazard or on our website at [www.lazardassetmanagement.com/au/en\\_us/funds/how-to-invest](http://www.lazardassetmanagement.com/au/en_us/funds/how-to-invest). Payment details and methods are described in the New Investor Application Form. Lazard may, in its discretion, accept a lower initial investment amount or reject an application in total. Before making an application, investors should read this document to ensure the Fund meets their needs.

#### How to invest

Whichever application money method is used, please ensure that the administrator receives a completed valid Application Form by the day the application monies are paid or transferred as the case may be.

#### By Electronic Funds Transfer

The details to transfer funds by electronic funds transfer are as follows:

Payee/Account Name:	Lazard – Applications Account
BSB:	032 000
Account No.:	944 542
Description:	Please quote the investor name as per the Application Form

#### By Cheque

Cheques should be made payable to "Lazard – Applications Account" and crossed "Not Negotiable" and sent to:

The Manager, State Street Unit Registry  
 State Street Australia Limited  
 Level 14  
 420 George Street  
 Sydney NSW 2000

#### By Austraclear

Application monies can also be paid via the Austraclear system to SSBS20. Please also ensure that the Austraclear section of the Application Form has been completed.

#### By RTGS

To use this option your bank must offer RTGS. The details to transfer funds electronically via RTGS are as follows:

Bank Name:	Westpac Banking Corporation
Account Name:	Lazard – Applications Account
BIC:	WPACAU2S
BSB:	032 000
Account No.:	944 542
Reference	Please quote the investor name as per the Application Form

To pay application monies by RTGS, please ensure that the RTGS section of the Application Form has been completed, including a valid reference number. If a valid reference number is not provided, this could delay the effective date of your application.

#### All applications

All applications need to be originally signed (wet ink signature). If required please also provide a copy of the list of authorised persons at the time the application is sent, otherwise the processing of the application may be delayed. Should the authorised persons list change during the course of the investment, the updated version must be forwarded to the administrator.

Additional investments can be made at any time by completing the Additional Application Form available on our website at [www.lazardassetmanagement.com/au/en\\_us/funds/how-to-invest](http://www.lazardassetmanagement.com/au/en_us/funds/how-to-invest) or otherwise in writing to the administrator.

Units in the Fund will only be issued following receipt of a fully completed Application Form and other required forms referred to in the Application Form, investor identification documents and cleared funds.

If for any reason we are unable to process your application or if your application is not completed to our satisfaction, we may delay processing your application for up to one month in which case your application monies will be held in a non-interest bearing trust account. If your application is not processed by the end of the one month period, your application monies will be returned to you.

Valid applications for units received by the administrator before 2pm on any business day will be issued at the unit price next calculated after 2pm for that business day. Valid applications for units received by the administrator after 2pm on any business day or received on a non-business day will be issued at the unit price calculated for the next business day.

When an application is accepted by the administrator, a confirmation advice will be forwarded detailing the:

- date of acceptance;
- amount invested in the Fund;
- number of units issued;
- transaction charge incurred; and
- unit issue price.

The minimum investment for the Fund is A\$20,000 unless you invest in the Fund through a Platform (refer to the "Investing through a Platform" section). Lazard may, in its discretion, accept a lower initial investment amount or reject an application in total.

A "business day" shall mean any day on which banks are generally open for business in Sydney, New South Wales and New York.

#### Cooling-Off Period

The cooling-off period only applies to retail investors who invest directly in the Fund and does not apply to retail investors who invest through a Platform. Where a retail investor decides that their initial investment in the Fund does not suit their needs, they can request in writing to have it cancelled within the 14 day cooling-off period. The cooling-off period begins when the transaction confirmation is received by the investor or five days after the units are issued, whichever is earlier. The amount repaid will be the original amount invested, adjusted to take into account:

- any increase or decrease in the value of the investment,
- any tax or duty that may have been payable, and
- reasonable administrative and transaction costs.

As a result, the amount repaid may be less than the value of the original investment. Investors will not be able to exercise any cooling-off rights once they have exercised any right or power in respect of their investment in the Fund.

#### Complaints

Complaints can be made by phone, in writing or in person. Please contact our Client Service Department by calling us on 1800 825 287, via email to [investorqueries@lazard.com](mailto:investorqueries@lazard.com), through our website at [https://www.lazardassetmanagement.com/au/en\\_us/about/complaints](https://www.lazardassetmanagement.com/au/en_us/about/complaints), in person or by post to our address, Level 12 Gateway, 1 Macquarie Place, Sydney NSW 2000. Complaints received will be acknowledged by the Responsible Entity within 1 business day or as soon as practicable after receipt of the complaint. The complainant will be advised of a final written response within 30 days after the receipt of the complaint. Please note that we will not provide a final response where we have resolved the complaint to your satisfaction within five business days and you have not requested a written response. If the complaint is particularly complex or circumstances beyond our control are causing delays in responding, then we will let you know if we cannot provide a final written response within the 30 day period. Retail investors who are not satisfied with our final response to their complaint, can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority

GPO Box 3,

Melbourne VIC 3001

### [Anti Money laundering laws](#)

As part of the laws relating to the detection and deterrence of money laundering and terrorism financing ("AML/CTF Laws"), Lazard is required to obtain certain information from investors which relate to the identification of investors and certain other persons and to verify the information provided.

Please refer to "A Guide to Completing the Application Form for the Collection of AML/CTF Information" below for assistance regarding what information an investor will need to provide to Lazard.

### [A guide to completing the application form for the collection of AML/CTF information](#)

As part of the AML/CTF Laws, Lazard is required to obtain certain information relating to the identification of investors and to verify the information provided. We will collect this information from the Application Form. We may need to contact you regarding the AML/CTF information you have provided or to obtain further information from you. The sections in the Application Form that an investor needs to complete are determined by what type of entity the investor is.

For:

- a partnership;
- a government body; or
- any other type of investor not specifically referred to on the Application Form, please contact Lazard regarding the additional information that needs to be collected.

Lazard will not issue units to an investor until all relevant information has been received and the investor's identity has been satisfactorily verified. If an investor does not provide the information requested or we are not satisfied as to the identity, we may not issue units to the investor at all and will return the application monies. Please contact Lazard's Anti Money Laundering Officer ("AML Officer") for any queries regarding these laws by sending an email to [amlofficer@lazard.com](mailto:amlofficer@lazard.com) or by post to the AML Officer, at Lazard. Please refer to the "Directory" on the last page for the address details.

### [A guide to completing the application form for the collection of Foreign Account Tax Compliance Act information](#)

Following the implementation of the FATCA in Australia, Lazard is required to obtain certain information from investors to facilitate the reporting of US citizens or US tax-residents to the US Internal Revenue Service. We will collect this information from the Application Form. The sections in the Application Form that an investor needs to complete are determined by what type of entity the investor is.

Lazard will not issue units to an investor until all relevant information has been received. If an investor does not provide the information requested, we may not issue units to the investor at all and will return the application monies.

### [A guide to completing the forms for Common Reporting Standard](#)

Following the implementation of the CRS in Australia, Lazard is required to obtain certain information from investors to facilitate the automatic exchange of financial account information. We will collect this information from the CRS Forms. The form that an investor needs to complete are determined by what type of entity the investor is, details of which follow:

- For an Individual(s)/Sole Trader please complete:
  - CRS Individual Self Certification Form
- For Australian and foreign incorporated companies please complete:
  - CRS Entity Self Certification Form

A CRS Form is not required for a Self Managed Superannuation Fund.

Lazard will not issue units to an investor until all relevant information has been received. If an investor does not provide the information requested, we may not issue units to the investor at all and will return the application monies.

### [How to withdraw](#)

Investors can request the withdrawal of all or part of their investment in the Fund by completing the Withdrawal Form available on our website at [www.lazardassetmanagement.com/WithdrawalForm.pdf](http://www.lazardassetmanagement.com/WithdrawalForm.pdf) or by lodging a written withdrawal request with the administrator. Funds will be paid by cheque or by transfer to an Australian bank account. Payments cannot be made to a third party. Please provide details of the number of units to be redeemed or the dollar value required, the investor number, Fund name and the name in which the investment is held. Please ensure that the withdrawal request is signed by all necessary authorised signatories to the investment.

Valid withdrawal requests received by the administrator before 2pm on any business day will be processed using the unit price next calculated after 2pm for that business day. Valid withdrawal requests received by the administrator after 2pm on any business day or received on a non-business day will be processed using the unit price calculated for the next business day.

You will receive a transaction statement to confirm the details of your withdrawal, including number of units redeemed and the price per unit. In normal circumstances, valid withdrawal requests will be satisfied within 6 business days from the date of receipt of the request. The receipt of requests for large cash withdrawals and/or multiple withdrawal requests on the same day or with the same valuation date or where the withdrawal price is unable to be calculated or there is a freeze on withdrawals, are examples of but do not limit, the circumstances, that are not "normal circumstances". The withdrawal period for all or part of the withdrawal, could be extended in certain circumstances, to 30 business days from the date of receipt of the request. Lazard may treat a withdrawal request which, if accepted, would lead an investor to hold less than A\$20,000 as a request for the withdrawal of all the investor's units. Lazard does not intend to fund withdrawals from an external liquid facility.

A "business day" shall mean any day on which banks are generally open for business in Sydney, New South Wales and New York.

If an investor's withdrawal request in relation to units in the Fund is received after a cut-off time (i.e. 2pm) on a business day, or received on any day which is not a business day, then it will be deemed not to have been received until the next available business day as determined by Lazard.

As described above, the Responsible Entity does not anticipate that the Fund will be illiquid for the purposes of the *Corporations Act 2001*. As the Fund is generally priced each business day, an investor can make a withdrawal request on any business day. However as disclosed on page 3, there may be circumstances where the Fund cannot value its assets. If this occurs, then withdrawal requests would not be able to be processed.

While we do not envisage that the Fund will be illiquid, should this occur, then the Responsible Entity will only allow withdrawal requests pursuant to the relevant provisions in the *Corporations Act 2001* regarding withdrawal offers for funds that are not liquid.

Investors will be notified of material changes to their withdrawal rights in writing (including via email) or on our website [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com).

## Section 8

### Directory

The contact details for Lazard are as follows:

Lazard Asset Management Pacific Co.  
Level 12, Gateway  
1 Macquarie Place  
Sydney NSW 2000  
Phone: 1800 825 287  
Website: [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com)  
Email: [investorqueries@lazard.com](mailto:investorqueries@lazard.com)

The contact details for the administrator are as follows:

State Street Australia Limited  
Level 14, 420 George Street  
Sydney NSW 2000  
Fax: (02) 9323 6411