

Millinium's

# MULTI-STRATEGY INCOME FUND (WHOLESALE)

ARSN 125 878 015

## ABOUT THE FUND

<b>Who are we?</b>	We are a boutique fund manager whose ultimate parent is partly owned by Ascalon Capital Managers Limited (being partly owned by Westpac Banking Group) and by private investors with affiliations in Germany, Singapore and the United States.			
<b>Suggested minimum investment timeframe</b>	3 - 5 years			
<b>Specialist Investment manager</b>	Australian Unity's Vianova Asset Management Pty Limited ("Vianova") - fixed Interest/cash. Millinium Capital Managers Limited ("MCML") - commercial loans, private equity, and securities.			
<b>Custodian</b>	Perpetual Trustee Company Limited ("Perpetual") provides custodial services to variety of institutions. Perpetual is a subsidiary of Perpetual Limited an ASX Top 100 company with a market capitalisation of approximately A\$1.8 billion. Funds under management as at 30 June 2008 was A\$30.3 billion and funds under administration was A\$222.9 billion.			
<b>Back office Services</b>	MainstreamBPO provides our fund's administration services for unit registry, investment administration and fund accounting. FundBPO holds an AFS Licence and use industry leading technology provided by DST International (HiPortfoli/3) to support our processes. MainstreamBPO act for various institutions and companies in Australia and international groups.			
<b>Investment Objective</b>	The Fund's objective is to provide regular income returns through the active management of a portfolio of income producing investments. Returns are not guaranteed.			
<b>Investment approach</b>	The Fund focuses on a value-orientated style to create diversified income yielding portfolios. The fixed interest asset class is an important feature in the fund's portfolio but is coupled with other asset classes that keep a high level of liquidity in the fund's design. Some asset classes provide both income and capital growth over a medium term and their selection over the medium to longer term increases capital value in underlying asset values. The asset allocation ranges are:			
<b>Assets of the Fund</b>	<b>Asset Class<sup>^</sup></b>	<b>Minimum</b>	<b>Maximum</b>	<b>Target</b>
	Fixed interest (rated and unrated)	35%	80%	55% <sup>^</sup>
	Commercial loans	0%	40%	20%
	Cash and equivalents	10%	35%	15%
	Securities (ASX listed)	0%	30%	10%
	Derivatives (hedging only)	0%	25%	0%
	<p><sup>^</sup> Derivatives can be used to hedge or gain credit or share exposure, but not for gearing. There is no current intention that the fund will borrow. No hybrids are used in the fixed interest class. Asset allocations can and do change without notice.</p> <p><b>Fixed interest investments:</b> Such as Government guaranteed deposits (ADI's), rated Government and institutional backed bonds, convertible securities, term deposits, repurchase agreements, floating rate notes, listed and unlisted income securities, enhanced yield funds and other yielding or structured transactions on a case by case basis and subject to agreement with the investment manager. The indicative credit rate weighting is AAA to A = 0 - 100% and BBB+ = 0 - 2%.</p> <p><b>Cash and equivalents</b> will generally hold cash and cash equivalents equivalent assets to meet short-term cash commitments and assist with liquidity.</p> <p><b>Securities</b> being some listed S&amp;P/ASX 200 Australian companies shares may be included to enhance returns and provide diversification. This holding is concentrated in companies with sound balance sheet fundamentals, lower debt levels and higher provision of dividend returns.</p> <p><b>Commercial loans</b> - Loan amount minimum - generally \$1-2 m, variable or fixed rate loan, term - 1-2 years (but some periods can go longer), maximum LVR - 66.6%, valuation - must be no older than 90 days at settlement, loan servicing - all sources/all commitment interest cover of 1.5 times, interest payments - monthly in advance, asset types specialised property such as office, industrial and retail, security - registered first mortgage taken along with additional collateral security as required.</p>			
<b>Our advantages</b>	<ul style="list-style-type: none"> <li>✓ a selected and monitored specialist investment manager manages the fund</li> <li>✓ fees are competitive - they are performance based</li> <li>✓ investments are reviewed constantly, aiming to achieve higher returns</li> <li>✓ investment opportunities and strategies are continually sought</li> </ul>			
<b>Investors</b>	This offer is made to H Class unit holders and is only available to Wholesale and Sophisticated Investors.			



## FEATURES AT A GLANCE

Minimum transaction and balance requirements	Investors will need to comply with any minimum transaction and balance requirements of the PDS.	"How to Invest" page 19
Fees and other costs	<ul style="list-style-type: none"> <li>• <b>Contribution fee</b> - 0.55%. This fee is payable to your Financial Planner.</li> <li>• <b>Withdrawal &amp; Termination fee</b> - Nil.</li> <li>• <b>Management fee</b> - 1.45% p.a. of the Fund's gross asset value.</li> <li>• <b>Performance fee</b> - Nil.</li> <li>• <b>Operating expenses</b> - We are entitled to be reimbursed for normal operating expenses. These costs are generally shown in our management fee above depending upon whether subscriptions are low or not. We may also receive an administration fee payable by a borrower for a commercial loan asset, including for its management, settlement and payout.</li> <li>• <b>Transaction costs - buy/sell spread</b> - Up to 0.30%. These amounts may change if the estimate of the underlying transaction costs change.</li> </ul>	"Fees and other costs" on pages 14 - 18
Risks of investing in the Fund	All investments are subject to risk. We and our investment manager(s) strive to minimise risk in the Fund's portfolio by selecting investments with a known level of liquidity and good credit/quality in standing. Fluctuations in asset values will cause the unit price to rise and fall. The significant risks are described on pages 11 to 13.	"Risks of investing in the Fund" pages 11 - 13
Making and withdrawing your investment	<ul style="list-style-type: none"> <li>• <b>Investing</b> - Generally investors can invest at any time.</li> <li>• <b>Withdrawals</b> - Full redemption at end of quarterly investment: You need to complete a Maturity Form and return it to us by the 15th of the last month in a quarter before the start of the next quarter for investment. If your Maturity Form is late you may withdraw by the end of the next quarter. This means if you invested in January 2009 or before this period and wanted to withdraw your investment, your Maturity Form must be received by us by the 15th April 2009 to make your withdrawal for the quarter end being 31 April 2009. If it is late, you will be processed by the next quarter for withdrawals.</li> <li>• <b>Transaction cut-off times</b> - A completed Application Form must be received by Investor Services at our Sydney office by 1.00 p.m. on a business day to be processed by the end of that day. Otherwise, an investor's completed Application Form will be processed by the end of the next business day.</li> </ul>	"Payment of withdrawal proceeds" page 21
Distribution payments	<ul style="list-style-type: none"> <li>• <b>Frequency</b> - Quarterly as at 31 March, 30 June, 30 September and 31 December. However there may be periods in which no distributions are made.</li> <li>• <b>Payment methods</b> - Distributions will be paid to your nominated account as soon as practicable within 5 business days after the end of the quarterly distribution period and in accordance with the Fund's constitution.</li> </ul>	"Distributions" on page 19
Valuations and pricing	<ul style="list-style-type: none"> <li>• <b>Valuing the Fund's assets</b> - The Fund's assets are valued regularly for unit pricing.</li> <li>• <b>Unit Pricing</b> - Unit prices are usually calculated daily for each NSW business day.</li> </ul>	"Unit pricing and the value of an investment in the Fund" page 20
Taxation	<ul style="list-style-type: none"> <li>• Investors should obtain taxation advice appropriate to their needs and circumstances. Investing through to our fund has tax and social security implications.</li> </ul>	"Taxation Information" page 22

Disclaimer: Millinium Capital Managers Limited, ABN 32 111 283 357, AFSL No. 284336 ("Millinium"). This document does not constitute personal advice. Investors should consider obtaining professional advice and whether the financial product suits their objectives, financial situation or needs. Investing in the Fund can only be made by completing an application form attached to a current PDS for the H Class unit holders. This document may be amended, withdrawn or replaced without notice. This document provides an outline of the offer to H Class Units in the Millinium's Multi-Strategy Income Fund and is a guide only. To the extent of the law, MillhouseAG, its officers, personnel and agents exclude any liability. Investors may contact their financial planner or our Investor Services on 1800 807 510. The asset classes are targets only and can and do change without notice.