



AB MANAGED VOLATILITY EQUITIES FUND - MVE CLASS

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IMPORTANT NOTICE

AB Managed Volatility Equities Fund - MVE Class APIR ACM0006AU - referred to in this Product Disclosure Statement (PDS) as the “MVE Class” is a unit class of the AllianceBernstein Managed Volatility Equities Fund ARSN 099 739 447 (Fund). Only units in the MVE Class are offered under this PDS.

This PDS is a summary of the significant information you need to consider to make a decision about the MVE Class. The PDS also contains references to additional important information which forms part of this PDS highlighted with an ⓘ. Additional information about the MVE Class is available at www.alliancebernstein.com.au or by contacting us on (02) 9255 1299. It is important that you read this PDS and Additional Information before making a decision to invest in the MVE Class.

The information outlined in this PDS is general information only and has been prepared without taking into account the investment objectives, financial situation or needs of any particular investor. You should consider the appropriateness of the information for your situation before you decide to invest. You should obtain financial advice tailored to suit your personal circumstance before investing in the MVE Class.

An investment in the MVE Class does not represent deposits or other liabilities of AllianceBernstein Investment Management Australia Limited (ABIMAL) or any other person. None of ABIMAL, its related bodies corporate, officers, employees or agents guarantees in any way the performance of the MVE Class or, repayment of capital from the MVE Class, any particular return from, or any increase in, the value of the MVE Class. An investment in the MVE Class is subject to investment and other risks, which could involve delays in the repayment or loss of income or your amount invested.

ABOUT THIS PDS

ABIMAL prepared this PDS and is the issuer of the units in the MVE Class. 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 this PDS in any jurisdiction outside Australia. The distribution of this PDS in jurisdictions outside Australia may be restricted by the laws of those jurisdictions. A failure to comply with these restrictions may constitute a violation of the laws in those jurisdictions. Offers in the MVE Class cannot be made within the United States or sold on account of or for the benefit of “US persons”.

In order to invest in the MVE Class you must be a “Qualified Investor”. A “Qualified Investor” is a person who satisfies at least one of the following:

- + a wholesale client within the meaning of the Corporations Act; or
- + a person investing through an investor directed portfolio service (IDPS) or IDPS-like scheme; or
- + a person who is a Qualified Investor as determined by us.

References in the PDS to “ABIMAL”, “we”, “us” or “our” refer to AllianceBernstein Investment Management Australia Limited.

UPDATES TO THIS PDS

Information in this PDS is current as at the date of this PDS but may change from time to time. Any changes not materially adverse will be provided at www.alliancebernstein.com.au. Please check our website or contact us or your financial adviser for any updates prior to investing in the MVE Class. A paper copy of any updated information will be provided free of charge upon request.

AB MANAGED VOLATILITY EQUITIES FUND - MVE CLASS

1. ABOUT ALLIANCEBERNSTEIN INVESTMENT MANAGEMENT AUSTRALIA LIMITED

AllianceBernstein Investment Management Australia Limited (we, us, our or ABIMAL) is the responsible entity of the AB Managed Volatility Equities Fund (Fund) and is responsible for ensuring that the MVE Class is managed in accordance with its governing documents and for its day-to-day administration.

We have appointed a related company AllianceBernstein Australia Limited (ABAL) ABN 53 095 022 718 AFSL No. 230698 as the investment manager of the MVE Class. ABAL has in turn engaged AllianceBernstein L.P. to manage a portion of the MVE Class' assets. We are a subsidiary of AllianceBernstein L.P. and part of the AllianceBernstein group (AB).

AllianceBernstein L.P. is a leading global investment management firm that offers high-quality research and diversified investment services to institutional investors, individuals and private wealth clients in major world markets.

As of 31 May 2019, AB managed US\$560 billion in assets for clients, including mutual funds, pension plans, superannuation schemes, charities, insurance companies, central banks, and governments.

2. HOW THE AB MANAGED VOLATILITY EQUITIES FUND - MVE CLASS WORKS

The Fund is a registered managed investment scheme with multiple unit classes, each unit class with different rights and obligations. We treat all investors in the same class of units equally and investors in different classes of units fairly. The units offered under this PDS are units in the MVE Class. The MVE Class is governed by the Fund's constitution. The constitution sets out the rules and procedures under which the Fund, including the MVE Class, must operate.

In accordance with the constitution, we must allocate the assets of the Fund to one or more classes. We will allocate the amounts invested under this PDS to the MVE Class and separately from the amounts invested by investors in other classes of units. The investment manager uses the amounts invested in a unit class (such as the MVE Class) to buy assets on behalf of all investors in that class in accordance with the relevant investment strategy. Please see section 4 "Risks of managed investment schemes" for more information on the Fund having multiple classes.

When you invest you will be issued with units in the MVE Class. The units issued to you represent your beneficial interest in the assets of the MVE Class as a whole. You do not have an entitlement to any particular asset of the Fund. We will calculate a price for your units (unit price) and keep a record of the units you have acquired. Your unit prices will rise or fall as the market value of the MVE Class' assets rise or fall. You can increase your units by making additional investments or reinvesting income distributions and decrease your units by making withdrawals.

UNIT PRICES

A unit price is usually calculated every business day. A business day means a day on which banks are open for business in Sydney, except a Saturday, Sunday or public holiday. The unit price for the MVE Class for a business day is calculated as that day's market value of assets less accrued expenses and other liabilities divided by the number of units on issue.

MVE Class application and withdrawal prices are determined by adding to, or subtracting from the unit price our estimate of transaction costs, commonly called the buy/sell spread. Please refer to section 6 "Additional explanation of fees and costs" for further information on the buy/sell spread.

INVESTING

Persons who are Qualified Investors may apply to invest in the MVE Class (see page 1 of this PDS for the definition of "Qualified Investor"). To invest in the MVE Class you will need to send us a completed Application Form, together with other documents requested (such as satisfactory identification) and pay your investment amount.

Provided you continue to be a Qualified Investor you may add to your investment at any time by sending us a new Application Form or your written instructions and pay your additional investment amount.

The following minimum investment amounts apply

| | |
|--------------------------------------|----------|
| Minimum initial investment | \$50,000 |
| Minimum additional investment | \$5,000 |

We have the discretion to accept lower amounts, change the minimums that apply and reserve the right not to accept an application for any reason.

Please see section 8 "How to apply" for more information.

WITHDRAWING

You can withdraw all or part of your investment by sending us a completed Withdrawal Request Form or a written notice of withdrawal. You can send withdrawal requests by mail, courier or fax.

Withdrawal proceeds will normally be paid to your Australian bank account within 10 business days following the date of receipt of a valid withdrawal request. However, the Fund's constitution allows us up to 21 days to pay withdrawal requests.

We have the power to redeem compulsorily your units in certain circumstances, including where you cease to be a Qualified Investor (see page 1 of this PDS for the definition of "Qualified Investor" and page 4 of this PDS for details on Compulsory redemption risk).

RESTRICTIONS ON WITHDRAWALS

In certain circumstances you may not be able to withdraw your investment within the usual time period upon request.

We may suspend or freeze withdrawals where we believe it would not be in the best interests of investors taken as a whole to sell sufficient assets to satisfy a withdrawal request due to circumstances out of our

AB MANAGED VOLATILITY EQUITIES FUND - MVE CLASS

control (such as market closures and trading restrictions) or the Fund has become illiquid per the Corporations Act.

HOW YOUR TRANSACTION IS PROCESSED

The cut-off time for the receipt of application and withdrawal requests is 2pm each business day. Validly completed application and withdrawal requests received before the 2pm cut-off on a business day will normally be processed using the application or withdrawal price applicable for that business day. Since market values are not available until after the end of the business day when the markets have closed, the MVE Class' application and withdrawal prices are calculated within two business days later.

Valid application and withdrawal requests received after the 2pm cut-off will normally be processed for the next business day.

DISTRIBUTIONS

The MVE Class normally distributes quarterly at 30 September, 31 December, 31 March and 30 June. However, we have the discretion to change the distribution frequency and to make additional distributions during any interim period out of distributable income or capital.

Distributions are usually calculated based on the MVE Class' net taxable income which may include taxable net capital gains divided by the units on issue. Your distribution amount will depend on the units you hold at the end of a distribution period. Distribution amounts are not guaranteed and will vary.

You can choose to have distributions reinvested into additional units or paid in cash directly into your account with an Australian bank or financial institution. If you do not choose cash, we will automatically reinvest your distributions. Distributions are usually paid within 14 business days of the end of the distribution period.

INDIRECT INVESTORS

We authorise the use of this PDS for investors or prospective investors who wish to invest in the MVE Class through an investor directed portfolio service (IDPS) or IDPS-like scheme, commonly referred to as a master trust, wrap account, platform, nominee or custody service.

Investors gaining exposure to the MVE Class through an IDPS are Indirect Investors and do not become unitholders in the MVE Class. Instead, it is generally the operator of the IDPS which invests for you and has the rights of a unitholder. The IDPS operator may exercise their rights in accordance with their arrangements with you.

Indirect Investors complete the application forms for the IDPS and receive reports including transaction statements from their IDPS operator, not us. Additional investments and withdrawals are also to be made through the IDPS operator. Inquiries should be directed to the operator of the IDPS. Indirect Investors need to follow the instructions of the IDPS platform operator. The IDPS operator may also apply different conditions to those outlined in this PDS including different cut-off times for applications and withdrawals.

NOMINEE INVESTORS

If your investment in the MVE Class is not held in your name (for example, because you invested on the advice of a financial adviser

and your investment is registered in the name of a nominee, such as a custodian), then we may only be able to take instructions in relation to your investment in the MVE Class (for example, a redemption request) by communicating with the registered holder.



You should read the important Additional Information about "How the Fund works" before making a decision to invest. Go to section 2 of the Additional Information at www.alliancebernstein.com.au for more information. Information relating to "How the Fund works" may change between the time you read this PDS and the day when you acquire the product.

3. BENEFITS OF INVESTING IN THE AB MANAGED VOLATILITY EQUITIES FUND - MVE CLASS

SIGNIFICANT FEATURES

The MVE Class primarily invests in Australian Securities Exchange (ASX) listed shares, supplemented with investments in selected global developed market shares and cash to help reduce volatility.

SIGNIFICANT BENEFITS

Volatility management: An equity investment that seeks to reduce volatility and limit downside risk in falling equity markets while capturing most of the upside in rising markets.

Capital growth and income: Potential for long-term capital growth with some income, including franked Australian dividend income.

Tax efficient: Strategies that aim to enhance after tax returns.

Professional management: Access to experienced AB investment professionals and their investment processes including their proprietary research, asset selection and risk management capabilities.

Ongoing information: Regular investment statements and annual tax statements to keep you fully informed about your investment.

4. RISKS OF MANAGED INVESTMENT SCHEMES

All investments carry risk and different investment strategies may carry different levels of risk depending on the assets held. Generally assets with the highest long term returns may also carry the highest levels of risk.

The value of your investment in the MVE Class and its investment returns will vary up or down as the value of the MVE Class' investments vary and future returns may differ from past returns. The returns of the MVE Class are not guaranteed and you could receive back less than you initially invested. Laws affecting managed investment schemes may change in the future. Your appropriate level of risk will vary depending on a number of factors including your age, investment time frames, where other parts of your wealth are invested and your overall tolerance to risk.

We aim to minimise some of the MVE Class' risks by investing in accordance with the MVE Class' investment strategy, monitoring the MVE Class and acting in your best interests. However, risk cannot be

eliminated so it's important that you consider your appropriate level of risk before making a decision.

The significant risks of investing in the MVE Class are typical for a fund that invests in Australian and global equity securities. These risks include:

Market risk: Market risk is the potential for loss due to a decline in the investment markets and the decline in market prices for an asset. Factors that can affect investment markets include economic cycles, investor demand levels, business confidence, interest rates, low liquidity and government policies.

Individual investment risk: This is the risk associated with an individual investment held in the MVE Class. The value of your investment in the MVE Class is dependent on the performance of the individual investments held by the MVE Class. The values of individual assets can vary up or down for many reasons including changes in a company's financial or operating circumstances.

Foreign investments risk: Assets issued by foreign governments and foreign companies are generally denominated in foreign currencies. The MVE Class uses foreign currency forward contracts in both its hedging and active currency management activities. This involves certain risks not typically associated with investing in Australian assets. These risks include changes in exchange rates and exchange control regulations; political and social instability; expropriation; imposition of foreign taxes; less liquid markets; less available information than is generally the case in Australia; higher transaction costs; less government supervision of exchanges, brokers and issuers; difficulty in enforcing contractual obligations; lack of uniform accounting and auditing standards; and greater price volatility. The MVE Class does not always hedge the risk associated with exchange rate changes but the investment manager has the discretion to determine the extent to which any foreign currency exposure is increased, reduced or removed. The costs associated with hedging the MVE Class' currency risk will be borne by the MVE Class, and there is no guarantee that the MVE Class' currency exposure will be hedged.

Derivatives risk: The MVE Class may use derivatives as an alternative to direct purchases of assets or to manage exposures and risks. However, they can also create additional risks such as default risk or the possibility that the derivative position is difficult or costly to reverse or that it does not perform as expected. Derivatives transactions may give rise to a form of leverage, which creates the opportunity for greater returns and also magnifies potential losses.

Liquidity risk: Liquidity risk is the risk that assets cannot be sold at all or quickly enough to avoid or minimise a loss. A lack of liquidity may also affect the amount of time it takes for us to satisfy withdrawal requests. There is no secondary market for the resale of units in the MVE Class and none is expected to develop. While you may submit withdrawal requests, if we were to receive one or more withdrawal requests, we might be unable to liquidate sufficient MVE Class assets to meet such withdrawals and we might exercise our discretion to suspend withdrawals.

Where the Fund is illiquid for the purpose of the Corporations Act, withdrawals may only be made in accordance with the procedures in the Corporations Act. This means that you will only have a right to redeem when we make an offer to all investors in the Fund to redeem a certain amount. Accordingly, investments in the MVE Class should be considered only by investors who determine that the investment will not interfere with their liquidity requirements.

Compulsory redemption risk: Under the Fund's constitution, we have the power to redeem your units compulsorily without receiving a redemption request from you. If you cease to be a Qualified Investor for any reason (see page 1 of this PDS for the definition of a "Qualified Investor") we will redeem all of your units without you giving us a redemption request and you will receive your redemption proceeds and cease to hold an investment in the MVE Class.

Fund/Class risk: Fund/Class risk includes the possibility that the Fund and the MVE Class could be suspended, terminated (including if we determine to close the Fund if it fails to maintain reasonable scale) or there are changes to its rules, its features, its fees and costs, its parties (such as its responsible entity and investment manager) and laws (including taxation laws) applicable to registered managed investment schemes. There is also a risk that investing in the MVE Class may give different results than investing directly. This is because your money is pooled with other investors and their applications and withdrawals together with our investment decisions may impact your entitlements to income and capital gains. For example, the MVE Class may or may not participate in share buy-backs and depending on your particular circumstances, this may or may not benefit you. Unit classes are not separate legal entities and therefore the assets and liabilities of one class are not fully segregated from other classes. This means that, in the event that the assets of a class of the Fund are insufficient to satisfy the liabilities of that class, the assets of other classes of the Fund may be used to satisfy those liabilities.

5. HOW WE INVEST YOUR MONEY

You should consider the likely investment return, risk and your investment timeframe when choosing to invest in the MVE Class.

| AB Managed Volatility Equities Fund - MVE Class | |
|--|--|
| MVE Class description | <p>The MVE Class is designed for equity investors seeking:</p> <ul style="list-style-type: none"> + lower volatility; + reduced downside risk in falling equity markets; and + the potential for long term capital growth and some income, including franked Australian dividend income. <p>The MVE Class invests mainly in Australian Securities Exchange (ASX) listed shares with up to 20% of its assets in global developed market shares and has the ability to hold up to 20% in cash, for example as a short term defensive measure at times of heightened equity market volatility.</p> <p>The MVE Class implements a managed volatility equities strategy that aims to reduce volatility by identifying, and investing in, high quality listed equity securities that have reasonable valuations, high quality cash flows and relatively stable share prices.</p> <p>The MVE Class does not always hedge the foreign currency exposures of its global equity assets to Australian dollars but the investment manager has the discretion to determine the extent to which any foreign currency exposure is reduced or removed. For example, the investment manager may decide not to remove a foreign currency exposure if it believes it offers defensive characteristics which would assist in lowering the volatility of the MVE Class.</p> <p>The MVE Class may also invest in preference shares, rights, convertibles, warrants, securities we reasonably expect to be listed within six months including initial public offerings, listed trusts and/or other synthetic foreign equity securities.</p> <p>Derivatives may be used to manage risks, invest cash, manage volatility and gain or reduce investment exposures. Derivatives will not be used for leveraging or gearing purposes.</p> |
| Asset classes and asset allocation ranges | <p>The following asset allocations are the expected ranges over the medium to long term but they can be exceeded over the short term:</p> <p>Australian Shares 60%-100%</p> <p>Global Shares 0%-20%</p> <p>Cash 0%-20%</p> |
| Investment return objective | <p>The MVE Class aims to achieve returns that exceed the S&P/ASX 300 Accumulation Index after fees over the medium to long term. There is no guarantee that the MVE Class will achieve this objective or produce any positive returns.</p> |
| Benchmark | <p>S&P/ASX 300 Accumulation Index</p> |
| Minimum suggested investment time frame | <p>5 to 7 years</p> |
| Risk level | <p>High. This MVE Class aims to produce higher returns and therefore carries a higher level of risk than an investment that aims to produce more modest returns.</p> |
| Switching | <p>The MVE Class only has one investment option. Switching is not available.</p> |
| Labour, environmental, social and ethical standards | <p>Environmental, social, and governance (including ethical and labour) (“ESG”) factors can impact performance. As a result, ESG factors are integrated into our investment process in order to identify investment risks and opportunities. These factors are a component of our research process that help to inform whether we invest in, continue to hold or sell any particular security. Apart from tobacco industry sector companies (MSCI GICS industry 302030) which are excluded from the MVE Class, we do not have a predetermined list of securities or industry sectors in which we will not invest. Instead we consider these factors, as we become aware of them and on a case by case basis, in our investment decisions. ESG factors also form part of our engagement with issuers and are considered when exercising voting rights. We are a signatory to the United Nations supported Principles for Responsible Investment.</p> |
| Changes to MVE Class details | <p>The statements in this section are current at the date of this PDS. We have the right to make changes to the MVE Class from time to time. We will notify you of any changes as required by the Corporations Act or the constitution.</p> |

6. FEES AND 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 fund 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 contribution fees and management costs where applicable. Ask us or your financial adviser.

TO FIND OUT MORE

If you would like to find out more or see the impact of fees based on your own circumstances, the Australian Securities & Investments Commission (ASIC) website www.moneysmart.gov.au has a managed investment fee calculator to help you check out different fee options.

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 MVE Class assets as a whole.

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

| Type of fee or cost | Amount |
|--|--|
| Fees when your money moves in or out of the MVE Class | |
| Establishment fee: | Nil |
| Contribution fee: | Nil |
| Withdrawal fee: | Nil |
| Termination fee: | Nil |
| Management costs | |
| The fees and costs for managing your investment | 0.55%* of the net asset value of the MVE Class |

*The amount of this fee may be individually negotiated. Please refer to section 6 of the Additional Information for more information about individually negotiated fees.

All fees shown are inclusive of GST and net of any applicable Reduced Input Tax Credits (RITC).

You can use this table to compare costs between different simple managed investment schemes. ASIC provides a calculator on its website www.moneysmart.gov.au that you can use to calculate the effect of fees and costs on account balances.

There may be additional fees. If you use the services of a financial adviser or if an IDPS is used additional fees may be payable to them. You should refer to your statement of advice in which details of fees payable to your financial adviser are set out.

EXAMPLE OF ANNUAL FEES AND COSTS FOR THE MVE CLASS

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

| Example | | Balance of \$50,000 with a contribution of \$5,000 during the year |
|--------------------------|------------|---|
| Contribution fees | Nil | For every additional \$5,000 you put in you will not be charged a fee. |
| PLUS Management costs | 0.55% p.a. | And , for every \$50,000 you have in the MVE Class you will be charged \$275 each year. |
| EQUALS Cost of MVE Class | 0.55% p.a. | 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 of from: |
| | | \$275 to \$302.50 |
| | | What it costs you will depend on the fees you negotiate with ABIMAL or your financial adviser. |

ADDITIONAL EXPLANATION OF FEES AND COSTS

Management costs

The 0.55% Management cost includes our fees, custody fees, administration costs and audit and tax adviser fees but excludes transactional and operational costs and abnormal costs. The Management costs are accrued daily and are paid monthly or quarterly in arrears from the assets of the MVE Class and are reflected in the unit price.

Transactional and operational costs

The MVE Class will also incur transactional and operational ("transaction") costs, including but not necessarily limited to brokerage, settlement costs, stamp duties, buy/sell spreads and clearing fees when you invest in or withdraw from the MVE Class and when we buy and sell its assets or settle its transactions. The MVE Class may recover an estimate of the transaction costs which are incurred or which would be incurred when buying or selling assets to satisfy your application or withdrawal via the buy/sell spread.

On application the current buy spread added to the unit price is 0.25% of the unit price and upon withdrawal the current sell spread deducted from the unit price is 0.25% of the unit price. For example, if you invested \$50,000 in the MVE Class the cost to you of the buy spread would be \$125. There is no buy/sell spread on income distributions reinvested. The buy/sell spread may change if our estimate of transaction costs change.

We estimated the MVE Class' 2018 transaction costs to be up to 0.36% per annum of the MVE Class' net asset value. Transaction costs are paid out of the MVE Class' assets upon invoice so reduce your unit value and are, therefore, an additional cost to you. For example, of the 2018 estimated transaction costs of 0.36%, 0.15% was recovered via

the buy/sell spread and therefore 0.21% reduced the returns of the MVE Class.

Changes in fees and costs

All fees and costs are current at the date of this PDS and are subject to change without your consent. If we increase Management costs we will give you 30 days written advance notice. Management costs may change for many reasons including but not limited to an increase or decrease in the MVE Class' administrative, custody or investment management costs. Any changes to the fees will be in accordance with the Fund's constitution.



You should read the important Additional Information about "Fees and costs" before making a decision to invest. Go to section 6 of the Additional Information at www.alliancebernstein.com.au for more information. Information relating to "Fees and costs" may change between the time you read this PDS and the day when you acquire the product.

7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

Investing in a registered managed investment scheme is likely to have tax consequences. We strongly advise you to seek professional tax advice before investing in the MVE Class.

You will be subject to tax on MVE Class income and net capital gains fairly and reasonably attributed to you under the new Attribution Managed Investment Trust (AMIT) regime. The income attributed to you or income entitlements from the Fund may include "non-attributable amounts" and capital gains, as well as tax offsets. The Fund and its unit classes (including the MVE Class) should not be subject to Australian income tax and does not pay tax on your behalf.

You may also be subject to tax when you dispose of your investment in the MVE Class. In addition, tax may be withheld from your income distributions if you do not quote a valid tax file number (or if applicable, an Australian Business Number) or are a non-resident investor.



You should read the important Additional Information about "How managed investment schemes are taxed" before making a decision to invest. Go to section 7 of the Additional Information at www.alliancebernstein.com.au for more information. Information relating to "How managed investment schemes are taxed" may change between the time you read this PDS and the day when you acquire the product.

8. HOW TO APPLY

Please ensure you read this PDS together with the Additional Information prior to making a decision to invest. To invest in the MVE Class you will need to be a Qualified Investor (see page 1 of this PDS for the definition of a "Qualified Investor"). You will also need to send us a completed Application Form together with other documents requested (such as satisfactory identification) by mail, courier or fax and pay your investment amount. An Application Form is available at www.alliancebernstein.com.au or by contacting us on (02) 9255 1299 or by email on aust_clientservice@alliancebernstein.com.

If you are investing via an IDPS, commonly referred to as a master trust, wrap account, platform, nominee or custody service, you need to follow the IDPS platform operator's application instructions and complete the IDPS application forms. Inquiries should be directed to the IDPS operator.

We must comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. This means that information as to your identity and the source of any payment may be collected and verified prior to accepting an application to invest. We may reject any application in part or whole at our absolute discretion and need not provide any reason for doing so.

COOLING OFF

Retail investors have a 14 day cooling-off period during which they may have their investment money (subject to certain adjustments) returned to them. This 14 day cooling-off period starts on the earlier of the date you receive the transaction confirmation or five days from the date on which you became an investor. Within this period you may withdraw your investment by sending us a letter. The letter must include your full name, address, date of birth, name of the Fund (including the designated unit class) and amounts invested, and, if known, your investor number and date of application.

Generally, the amount repaid to retail investors will be their investment amount, adjusted to take into account market movements (either up or down) to the date (or as soon as practicable after) of receipt of the cooling-off notice, less an amount for reasonable administrative and transaction costs. Indirect Investors should contact their IDPS operator to determine what cooling-off rights apply.

COMPLAINTS

We have established procedures for dealing with complaints. If you are an Indirect Investor you may contact your IDPS operator with your complaints. If you are under the advice of a financial adviser, you may also contact your financial adviser with your complaints. You can also contact us during business hours on (02) 9255 1299 or write to the Complaints Officer, AllianceBernstein Investment Management Australia Limited at ComplaintsAustralia@alliancebernstein.com. A copy of our complaints policy is available at www.alliancebernstein.com.au or by contacting the Complaints Officer. The Complaints Officer will use reasonable endeavours to deal with and resolve the complaint within a reasonable time and in any case within 45 days. If an issue has not been resolved to your satisfaction, you 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

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority GPO Box 3, Melbourne VIC 3001



You should read the important Additional Information about “How to apply” before making a decision to invest. Go to section 8 of the Additional Information at www.alliancebernstein.com.au for more information. Information relating to “How to apply” may change between the time you read this PDS and the day when you acquire the product.

9. OTHER INFORMATION

THE FUND'S CONSTITUTION

The MVE Class is governed by the Fund's constitution. The constitution binds the responsible entity and investors and sets out the rules and procedures under which the MVE Class must operate. It also sets out our duties, obligations, and powers including the power to borrow, offer different classes of units and in certain circumstances compulsorily redeem your units. A copy of the constitution is available free of charge upon request.



You should read the important Additional Information for “Other information” before making a decision to invest. Go to section 9 of the Additional Information at www.alliancebernstein.com.au for more information. Other information may change between the time you read this PDS and the day when you acquire the product.



ADDITIONAL INFORMATION TO THE PRODUCT DISCLOSURE STATEMENT (PDS) DATED 14 JUNE 2019

- + AB DYNAMIC GLOBAL FIXED INCOME FUND
- + AB MANAGED VOLATILITY EQUITIES FUND - MVE CLASS
- + AB GLOBAL EQUITIES FUND

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IMPORTANT NOTICE

AllianceBernstein Dynamic Global Fixed Income Fund ARSN 165 810 686 APIR ACM0001AU is referred to as AB Dynamic Global Fixed Income Fund, AllianceBernstein Managed Volatility Equities Fund - MVE Class APIR ACM0006AU (which is a unit class of the AllianceBernstein Managed Volatility Equities Fund ARSN 099 739 447) is referred to as MVE Class and AllianceBernstein Global Equities Fund ARSN 099 296 607 APIR ACM0009AU is referred to as AB Global Equities Fund.

This additional information to the Product Disclosure

Statement (Additional Information) forms part of the Product Disclosure Statement for the AB Funds, listed above, issued by AllianceBernstein Investment Management Australia Limited (ABIMAL) ABN 58 007 212 606 AFSL 230683.

It is important that you read this Additional Information together with the applicable PDS before making a decision to invest in an AB Fund.

This Additional Information contains general information only and has been prepared without taking into account the investment objectives, financial situation or needs of any particular investor. You should consider the appropriateness of the information for your situation before you decide to invest. You should obtain financial advice tailored to suit your personal circumstance before investing in an AB Fund.

ABOUT THIS ADDITIONAL INFORMATION

This Additional Information is current as at the date of this document but may change from time to time. Any changes not materially adverse will be provided on our website at www.AllianceBernstein.com.au. Please check our website or contact us or your financial adviser for any updates prior to investing in an AB Fund.

References in this Additional Information to "ABIMAL" "we", "us" or "our" refer to AllianceBernstein Investment Management Australia Limited and references to "AB Fund" or "AB Funds" collectively refer to the funds or unit class listed above.

AB FUNDS ADDITIONAL INFORMATION

1. ABOUT ALLIANCEBERNSTEIN INVESTMENT MANAGEMENT AUSTRALIA LIMITED

Please refer to the relevant AB Fund PDS.

2. HOW AN AB FUND WORKS

Unit prices

Unit prices are calculated in accordance with the constitution relating to each AB Fund and our unit pricing policies. Any discretion used to calculate a unit price is exercised in line with our unit pricing policies. A copy of the AB discretionary pricing policy is available upon request free of charge.

Investing

Please see section 8 "How to apply" for more information.

Withdrawing

You can withdraw all or part of your investment by completing and returning to us a written notice of withdrawal. Your written withdrawal request must include:

- + the name of the AB Fund you invested in;
- + your account number;
- + the value or number of units to be withdrawn;
- + if you have not already provided your bank account for payment of withdrawals, please include details of your account with an Australian bank or financial institution. Accounts provided must be in your name as payments will not be made to third party accounts; and
- + your contact details should we need to contact you about your withdrawal.

Alternatively you may complete a Withdrawal Request Form available from AB.

You or your authorised nominee must sign all withdrawal requests.

Validly completed withdrawal requests received by us by 2pm (Sydney time) on a business day will normally be processed using the withdrawal price for that business day. Withdrawal requests received after the 2pm cut-off will normally be processed for the next business day.

Withdrawal requests may normally be sent by mail, courier or fax and must be received by us at:

- + AllianceBernstein Investment Management Australia Limited
C/-State Street Australia Limited
Attention: Unit Registry
Level 14, 420 George Street
Sydney NSW 2000; or
- + (02) 9323 6411.

We may change the place at which withdrawals are to be received and the withdrawal cut-off time.

Please contact us on (02) 9255 1299 or by email on aust_clientservice@alliancebernstein.com with any queries.

By transacting via fax you will be taken to have agreed to and be subject to the terms and conditions set out in the Application Form.

Withdrawal proceeds will normally be paid to your nominated Australian bank account within 10 business days following the date of receipt of a valid withdrawal request. However, the constitution relating to each AB Fund allows us up to 21 days to pay withdrawal amounts, unless withdrawals are suspended in accordance with the constitution. In addition, large withdrawal requests of more than 5% of net asset value may be redeemed and paid in separate amounts over a period of up to 30 days.

In addition, if your withdrawal request would result in you holding less than the minimum holding (currently \$50,000), we may treat your withdrawal request as applying to all your investment.

A withdrawal request may not be cancelled without our consent.

Indirect investors need to direct their withdrawal requests to their investor directed portfolio service (IDPS) operator and follow the instructions of the IDPS platform operator.

Restrictions on withdrawals

In certain circumstances you may not be able to withdraw your investment within the usual time period upon request.

We may suspend or freeze withdrawals where we believe it would not be in the best interests of investors taken as a whole to sell sufficient assets to satisfy a withdrawal request due to circumstances out of our control including market closures, trading restrictions, a moratorium is declared in a country in which assets of an AB Fund are located or held, asset sales cannot be effected at prices consistent with an orderly market, or assets cannot be redeemed.

Whilst it is our intention to manage AB Funds so that they are "liquid" for the purposes of the Corporations Act, if an AB Fund should become illiquid, withdrawals may only be made in accordance with the procedures in the Corporations Act. This means that you will only have a right to redeem when we make an offer to all investors in an AB Fund to redeem a certain amount.

Distributions

AB Fund distribution amounts are not guaranteed and will vary between distribution periods and from year to year. The distribution amount you receive will depend on the units you hold at the end of a distribution period. Our distributions are usually calculated based on net taxable income which may include taxable net capital gains divided by the units on issue. Where we consider it appropriate we may:

- + distribute amounts exceeding net taxable income;
- + pay a percentage of an AB Fund's total return for a period;
- + withhold components of net taxable income; and
- + declare extra distributions in circumstances when we believe it to be in the best interests of investors taken as a whole to do so, for example during periods of receipt of high volumes of withdrawal requests or after receipt of a large withdrawal request but before commencing to satisfy the large withdrawal request.

AB FUNDS ADDITIONAL INFORMATION

Unit prices may fall after the end of each distribution period because the distribution amounts payable to investors reduce the relevant AB Fund's assets.

Distributions will usually be paid as described in the relevant AB Fund PDS. However we have the discretion to change the distribution frequency and to make additional distributions out of distributable income or capital.

3. BENEFITS OF INVESTING IN THE AB FUNDS

Please refer to the relevant AB Fund PDS.

4. RISKS OF MANAGED INVESTMENT SCHEMES

Please refer to the relevant AB Fund PDS.

5. HOW WE INVEST YOUR MONEY

Please refer to the relevant AB Fund PDS.

6. FEES AND COSTS

DID YOU KNOW?

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

For example, total annual fees and costs of 2% of your fund 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 contribution fees and management costs where applicable. Ask us or your financial adviser.

TO FIND OUT MORE

If you would like to find out more or see the impact of fees based on your own circumstances, the Australian Securities & Investments Commission (ASIC) website www.moneySMART.gov.au has a managed investment fee calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the relevant AB Fund as a whole. You should read all information about fees and costs because it's important to understand their impact on your investment. Information about taxes is set out in section 7 of this document and the relevant PDS.

| Type of fee or cost | Amount | How and when paid |
|---|---|--|
| Fees when your money moves in or out of an AB Fund | | |
| Establishment fee: The fee to open your investment | Nil* | N/A |
| Contribution fee: The fee on each amount contributed to your investment | Nil* | N/A |
| Withdrawal fee: The fee on each amount you take out of your investment | Nil* | N/A |
| Termination fee: The fee to close your investment | Nil* | N/A |
| Management costs | | |
| The fees and costs for managing your investment The amount you pay for each particular AB Fund is shown on page 4. | Management costs* Depending on your investment option this fee varies between 0.55% and 0.85% p.a. of the net assets. | Management costs are accrued and deducted daily from the relevant AB Fund's assets and are reflected in its unit price. Management fees are paid monthly or quarterly in arrears, whilst ordinary expenses are paid as and when incurred. The amount of the Management costs may be individually negotiated. Please refer to "Additional explanation of fees and costs" in this section for more information. |
| Service Fees | | |
| Switching fee: The fee for changing investment options | Nil | N/A |

*There are transaction costs when you buy and sell units. Please refer to the transactional and operational costs in the "Additional explanation of fees and costs" below and in the relevant PDS for further details.

Unless otherwise stated all fees shown are inclusive of GST and net of any applicable Input Tax Credits (ITCs) and/or Reduced Input Tax Credits (RITCs). Additional fees and charges may apply. For more information about Fees and costs please refer to "Additional explanation of fees and costs" in this section and in the relevant AB Fund PDS.

AB FUNDS ADDITIONAL INFORMATION

| Fund Name | Management costs (% p.a.)* |
|---|----------------------------|
| AB Dynamic Global Fixed Income Fund | 0.55% |
| AB Managed Volatility Equities Fund - MVE Class | 0.55% |
| AB Global Equities Fund | 0.85% |

*There are transaction costs when you buy and sell units. Please refer to the transactional and operational costs in the "Additional explanation of fees and costs" below and in the relevant PDS for further details.

If you use the services of a financial adviser or if an IDPS is used additional fees may be payable to them.

Additional explanation of fees and costs

Management costs

Under the constitutions relating to each AB Fund we are entitled to charge a management fee of up to a maximum of 3% per annum (exclusive of GST). We agree to waive part of this fee until further notice such that the total amount paid out of an AB Fund for its management fee is the fee per the table in this section.

The Management costs include our fees, custody fees, administration costs and audit and tax adviser fees but excludes transactional and operational and abnormal costs.

AB Funds may also incur abnormal expenses such as the cost of holding investor meetings, defending legal actions or terminating an AB Fund. Abnormal expenses will not be paid out of the Management costs shown in the table above.

Abnormal expenses (if incurred) will have the effect of increasing the amount of Management costs borne by you.

Transactional and operational costs

AB Funds will also incur transactional and operational (transaction) costs, including but not necessarily limited to brokerage, settlement costs, stamp duties, buy/sell spreads and clearing fees when you invest in or withdraw from an AB Fund and when we buy and sell assets or settle transactions. AB Fund transaction costs are paid out of the relevant AB Fund's assets upon invoice so reduce your unit value and are, therefore, an additional cost to you. Please refer to the following table for an estimate of annual AB Fund transaction costs.

| Fund Name | 2018 transaction costs before the buy/sell spread cost recovery were estimated to be up to | Example annual transaction costs for every \$50,000 you have in the relevant AB Fund are estimated to be up to |
|---|--|--|
| AB Dynamic Global Fixed Income Fund | 0.32% p.a. | \$160 |
| AB Managed Volatility Equities Fund - MVE Class | 0.36% p.a. | \$180 |
| AB Global Equities Fund | 0.37% p.a. | \$185 |

You compensate AB Funds for the transaction costs which are incurred or which would be incurred when buying or selling assets to satisfy your application or withdrawal request via a buy/sell spread. The buy/

sell spread added or subtracted from the unit price is our estimate of transaction costs incurred or which would be incurred to buy or sell assets for the issue or withdrawal of units. The buy/sell spread is retained in the relevant AB Fund, does not accrue to us or any of our associates as a fee and it is necessary so that the interests of other investors are not diluted by those transaction costs. Refer to the table below for the current AB Fund buy/sell spreads that apply.

| Fund Name | Buy spread added to the Unit Price | Sell spread deducted from the unit price | Example the amount of your buy spread if you invested \$50,000 | Example the amount of your sell spread if you withdraw \$50,000 |
|---|------------------------------------|--|--|---|
| AB Dynamic Global Fixed Income Fund | 0.15% | 0.15% | \$75 | \$75 |
| AB Managed Volatility Equities Fund - MVE Class | 0.25% | 0.25% | \$125 | \$125 |
| AB Global Equities Fund | 0.20% | 0.20% | \$100 | \$100 |

The buy/sell spread may change if our estimate of transaction costs changes. For example our estimate of transaction costs may change if:

- + the price of transaction costs changes; or
- + an investor applies with assets instead of cash or an investor receives assets upon withdrawal instead of cash; or
- + there are simultaneous application and withdrawal of requests by different investors.

Differential fees

As permitted by the Corporations Act and ASIC relief we may individually negotiate a reduced management fee with certain individuals, such as, wholesale clients, as defined under the Corporations Act or IDPS operators. Please contact us on (02) 9255 1299 or by email on aust_clientservice@alliancebernstein.com for more information.

Goods and Services Tax (GST)

Unless otherwise noted all fees shown are inclusive of GST and net of any applicable Input Tax Credits (ITCs) and Reduced Input Tax Credits (RITCs).

GST is usually payable on most expenses, such as fees payable to us and our service providers. Given the nature of the activities of AB Funds, they may be able to claim ITCs and/ or RITCs (effectively a refund) of either 55% or 75% of the GST paid on certain expenses. Therefore, the GST paid, net of any ITCs and/or RITCs received, will be deducted from the relevant AB Fund's assets and will be reflected in the unit prices. If the GST rate changes or if the applicable RITC rates change, we may recoup the extra amount from the relevant AB Fund.

It is recommended that investors seek professional advice as to the impact, if any, of GST on their investments.

Changes in fees and costs

All fees are subject to change without your consent. Fees and costs may

AB FUNDS ADDITIONAL INFORMATION

change for many reasons, including but not limited, to an increase or decrease in administrative, custody or investment management costs. Any changes to the fees will be in accordance with the constitutions of the AB Funds. If we increase the Management cost we will give you 30 days written advance notice.

7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

Investing in a registered managed investment scheme is likely to have tax consequences. The following taxation information is general only and should not be treated as providing a definitive explanation of all tax issues associated with investing in an AB Fund. Income tax laws are complex and subject to continual change by the legislators and in their interpretation by the courts. The tax treatment of managed investment schemes is currently undergoing significant tax reform. We strongly advise you to seek professional tax advice before investing in an AB Fund.

AB Funds are Australian resident trust estates for Australian tax purposes. On the basis that all of an AB Fund's trust components are attributed to investors on a fair and reasonable basis under the new Attribution Managed Investment Trust (AMIT) regime (see further below), or have distributable income to which investors are presently entitled (which is the intention of the AB Funds if they do not qualify to be an AMIT), the AB Fund should be treated as a flow through trust for tax purposes. This means that investors should be taxed on their assessable attributed amounts (where the AB Fund is an AMIT) or their share of the AB Fund's net taxable income (where the AB Fund is not an AMIT), and the AB Funds themselves should not be subject to Australian income tax.

Eligible managed investment trusts (MITs) may make an irrevocable election to apply a deemed capital account treatment for gains and losses on disposal of certain eligible investments (including equities and units in other trusts). AB Funds that invest in underlying equity investments have made the election to hold eligible assets on capital account. Therefore, subject to the relevant AB Fund continuing to meet the eligibility requirements to be a MIT, gains and losses on eligible investments will be treated on capital account.

In the case where an AB Fund makes a loss for tax purposes, it cannot distribute the loss to investors. However, subject to an AB Fund satisfying certain requirements (in respect of revenue losses), it may be able to carry forward the loss to offset against income or capital gains (as appropriate) in subsequent years.

Attribution Managed Investment Trust (AMIT) Regime

Each AB Fund has made an election to enter into the AMIT regime such that it will be treated as an AMIT for a financial year provided it satisfies the eligibility requirements for that financial year. The AMIT regime is intended to reduce complexity, increase certainty and minimise compliance costs for funds and their investors. Each year an AB Fund meets the AMIT eligibility requirements, its taxable income components will be allocated to investors on a "fair and reasonable" attribution basis, rather than being allocated proportionately based on each investor's present entitlement to its income.

Qualifying AMITs will also enjoy other benefits including:

- + deemed fixed trust treatment;
- + codified "unders and overs" rules;
- + upward cost base adjustments where the cash distribution is less than the taxable income attributed to the investor (after adjusting for certain items such as tax credits that are included in assessable income), to mitigate potential double taxation;
- + issue multiple classes of units as though each class is a separate fund; and
- + stream capital gains arising from large redemptions to exiting investors.

As well as satisfying the AMIT eligibility requirements, the constitutions relating to each AB Fund have been amended to enable all the features of the AMIT regime to be used.

Quoting your Tax File Numbers (TFN) and Australian Business Numbers (ABN)

Investors may quote their TFN (or ABN if units are held in the course or furtherance of an enterprise) in relation to their investment in an AB Fund. It is important to be aware that although it is not an offence to fail to quote a TFN or ABN, in the event that we are not notified of a TFN, ABN or exemption, tax must be deducted from distributions at the highest marginal rate, plus Medicare Levy.

Distributions from AB Funds

Investors in an AB Fund will be subject to tax on their attributed trust components under the AMIT regime (where the Fund is an AMIT) or their proportionate share of the net taxable income of the relevant AB Fund (where the Fund is not an AMIT).

Your liability for tax in respect of the assessable income of an AB Fund is determined by reference to the financial year in respect of which the income is attributed or entitlement arises, even though it may not have been received in that year or income is reinvested.

The income attributed to investors or income entitlements from an AB Fund may include "other non-attributable" amounts (or tax deferred amounts) and capital gains, as well as tax offsets.

Tax offsets may include franking credits attached to Australian dividend income or credits for foreign tax paid on foreign income. A tax offset for the credits may be available in calculating your tax liability, depending on your specific circumstances.

Excess franking credits may be refundable to resident individuals and complying superannuation entities. You should determine your eligibility to claim the benefit of these credits based on your individual circumstances.

For investors holding their units in an AB Fund on capital account, "other non-attributable" amounts (and tax deferred amounts) are generally not subject to tax, but may reduce the cost base of your units for capital gains tax purposes. Examples of these amounts include return of capital amounts as well as amounts attributable to deductions for building allowance and capital allowances. Should the

AB FUNDS ADDITIONAL INFORMATION

cost base of an investor's units be reduced below zero, the excess amount should be recognised as a capital gain by the investor.

Capital gains attributed by an AB Fund should be eligible to benefit from the capital gains discount where the assets have been held for 12 months or more, as outlined below under "Disposal of your investment". To the extent that a trust component or income entitlement from an AB Fund includes a discount capital gain concession, and the investor holds their units on capital account, the amount is not assessable income. In some circumstances, such amounts may require an adjustment to the cost base of your investment. Investors that are companies and complying superannuation entities may not receive the full benefit of the discount capital gain concession (whether distributed or not). This is because companies are not entitled to the discount concession and the discount concession rate applying to complying superannuation entities is lower than that which applies to trusts and individuals (refer to "Disposal of your investment" below).

In some cases, for example due to the nature of the investments held by a particular AB Fund (such as AB fixed income funds) gains on disposals of investments may be treated as ordinary income rather than capital gains.

AB Funds which hold foreign investments may be required to include in its net taxable income, unrealised income and gains accumulating from such investments. However, it is our intention to seek to mitigate the impact of these accruals taxation rules.

Details of the tax components of your attributed trust components or income entitlements will be provided in an AMIT member annual statement (AMMA statement) or the annual tax statement issued for all AB Funds.

Disposal of your investment

You may also be liable to pay tax on gains realised on the disposal of your units in an AB Fund.

Investors holding their units in an AB Fund on capital account may be eligible for the capital gains discount of one half for individuals and trusts, or one third for complying superannuation entities where the units have been held for 12 months or more and other conditions are satisfied. Companies are not eligible for the discount.

For investors acquiring units in AB Funds as part of a business of trading or investing in securities or for the purpose of profit making by sale, any profits may be taxed as ordinary income rather than as capital gains. On redemption of your units in an AB Fund, your redemption proceeds may also include income or gains arising to the AB Fund as a result of the disposal of assets to fund the redemption. Any such gains attributed to you should be included in your assessable income for that year.

Investors subject to TOFA fair value or financial reports elections

The taxation of financial arrangements (TOFA) provisions may apply to some investors. However, units in a fund are generally excluded from TOFA unless the investor has made a fair value election or an election to rely on financial reports. For investors that are subject to TOFA and

have made either the fair value or financial reports election, the tax implications of holding units in an AB Fund will differ to those set out above. As the TOFA provisions are complex, it is recommended that investors seek their own professional advice, specific to their own circumstances, should TOFA apply to them.

Taxation of non-resident investors

Australian tax will be deducted, at appropriate rates, from distributions or amounts attributed to non-resident investors of Australian sourced income and certain capital gains. Non-resident investors will be exempt from tax on income to the extent it comprises capital gains arising from the disposal by an AB Fund of assets that do not constitute taxable Australian real property. A non-resident investor will generally not be subject to Australian Capital Gains Tax on disposal of their investment in an AB Fund, unless they held a 10% or greater interest in the AB Fund and the majority of its assets comprise taxable Australian real property. There may also be a withholding tax obligation of the purchaser of such securities. It is not expected that AB Funds will hold a majority of taxable Australian real property.

If a non-resident investor holds their units in an AB Fund on revenue account, any profit on disposal of the units may be subject to Australian tax as ordinary income, subject to any available treaty relief.

Goods and Services Tax (GST)

No GST is payable on the application or withdrawal of your units.

Global Information Reporting

Australian financial institutions have obligations under certain global information reporting regimes such as the United States (US) Foreign Account Tax Compliance Act (FATCA) and the Organisation for Economic Co-operation and Development (OECD) Common Reporting Standard. Accordingly, we may request that investors and prospective investors provide certain information in order to meet its information gathering and reporting obligations under these reporting regimes and avoid, in some circumstances, US withholding tax of 30% (on certain United States income or gross proceeds from the sale of United States securities).

It is not expected that the AB Funds will be subject to FATCA withholding taxes.

8. HOW TO APPLY

Please ensure you read this Additional Information together with the PDS prior to making a decision to invest in an AB Fund.

Applications

To invest in an AB Fund you will need to be a Qualified Investor (see page 1 of the relevant AB Fund PDS for the definition of a "Qualified Investor"). Initial applications for an AB Fund investment can only be made by you:

- + sending us a completed Application Form together with other documents requested (such as satisfactory identification) by mail, courier or fax; and
- + paying us your investment amount which must be \$50,000 or more.

AB FUNDS ADDITIONAL INFORMATION

An Application Form is available by contacting us on (02) 9255 1299 or by email on aust_clientservice@alliancebernstein.com.

You can make additional investments and add to your investment by sending us a new AB Application Form or your written additional application request and making your payment. Your written additional application request should set out:

- + the name of the AB Fund you invested in;
- + your account name and number;
- + your additional investment amount;
- + the date and method of your payment; and
- + your contact details should we need to contact you about your application.

All application forms must be appropriately signed.

An Application Form and payment instructions are available on our website www.AllianceBernstein.com.au or by contacting us on (02) 9255 1299 or by email on aust_clientservice@alliancebernstein.com.

Valid applications comprising a completed application form together with any other documents or information requested such as satisfactory identification and your cleared application payment received by us by 2pm (Sydney time) on a business day will normally be processed using the application price for that business day. Applications received after the 2pm cut-off will normally be processed for the next business day.

We must comply with Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF). This means we must collect and verify information such as your identity and the source of payment of the application monies, prior to us issuing or redeeming units in an AB Fund. We must also collect and verify information relating to your tax residency, tax status and tax identity numbers, and in some cases, information relating to any of your "controlling persons", for the purposes of compliance with Australian legislation which applies the US Foreign Account Tax Compliance Act (FATCA) and the OECD Common Reporting Standard (CRS). The information will be provided to the Australian Tax Office who will exchange the information with the tax authorities of the US (if you are a US person) and the CRS participating jurisdictions. If you do not provide the information to us, we will not be able to process your application.

We will not accept your application request, withdrawal request or issue units unless our AML/CTF, FATCA and CRS checks have been completed to our satisfaction. We may reject any application in part or whole at our absolute discretion and need not provide any reason for doing so.

To ensure that your application or withdrawal requests are processed efficiently and not delayed or unreasonably rejected it is important that you properly complete application and withdrawal forms, immediately pay your investment amount and provide all documents and information, including satisfactory identification that we request. We will not be liable to any prospective investor for any losses incurred caused by the delay

in accepting, processing or the rejection of an application or withdrawal request.

Where your application is accepted, a transaction confirmation note will be sent to you confirming the date of your application, number of units issued and your application price. No unit certificates will be issued.

Any interest earned on an applications account will be paid into the relevant AB Fund and will not be paid to an investor.

If you are investing via an IDPS commonly referred to as a master trust, wrap account, platform, nominee or custody service you need to follow the IDPS platform operator's application instructions and complete the IDPS application forms and follow their payment instructions. Inquiries should be directed to your IDPS operator.

Where to send your applications

Application forms and any other documents or information requested can be sent by mail, courier or fax and must be received by us at:

- + AllianceBernstein Investment Management Australia Limited
C/-State Street Australia Limited
Attention: Unit Registry
Level 14, 420 George Street
Sydney NSW 2000; or
- + (02) 9323 6411

Where application forms are sent by fax, the original signed application form should also be sent to us at the above address. We or our duly appointed agents will not be responsible to an investor for any loss resulting from the non-receipt or illegibility of any document such as an application, withdrawal or other request or for any loss caused in respect of any action taken as a consequence of such document (including a fax) believed in good faith to have originated from properly authorised persons.

We may change the place at which applications are to be received and the application cut-off time.

How to pay for your investment

Application monies must be paid to the Custodian and Administrator via cheque, direct credit, Austraclear or SWIFT. Please indicate the selected method of payment on your application form.

Please contact us on (02) 9255 1299 or by email on aust_clientservice@alliancebernstein.com with any queries.

9. OTHER INFORMATION

Constitutions relating to each AB Fund¹

Each AB Fund is governed by a constitution which binds the responsible entity and investors and sets out the rules and procedures under which AB Funds must operate. Each constitution includes provisions dealing with:

- + the duration of the AB Fund including their termination;
- + our duties and obligations as responsible entity (and their

1. As the MVE Class is a unit class of the AllianceBernstein Managed Volatilities Equities Fund, the constitution relating to the MVE Class is the constitution of the AllianceBernstein Managed Volatilities Equities Fund.

AB FUNDS ADDITIONAL INFORMATION

- delegation);
- + our powers as the responsible entity (which are wide ranging and include the power to borrow);
- + the power to offer different classes (identical rights attach to all units within a class, however the rights and obligations attaching to different classes may vary);
- + our fees and reimbursement of expenses;
- + the limitation of our liability and indemnification;
- + unitholder meetings;
- + the method by which complaints are dealt with;
- + the calculation, entitlement to and distribution of income;
- + calculation of unit application and withdrawal prices and related mechanisms;
- + the right to compulsorily redeem your units;
- + power to demand information from investors or prospective investors; and
- + the right to refuse to register a transfer of units.

We may amend a constitution at any time if the amendments are not adverse to your rights. Otherwise, your approval by special resolution must be obtained at a meeting of unitholders. We may convene a meeting of unitholders at any time. Meetings may be called to approve certain amendments to a constitution or to wind up the relevant Fund. Unitholders have the right to vote at any unitholder meeting. A resolution passed at a meeting of unitholders held in accordance with a constitution binds all unitholders.

We are not liable to unitholders in contract, tort or otherwise, except to the extent that the Corporations Act imposes the liability. We are not responsible to any third party except to the extent that we can be indemnified out of assets of an AB Fund.

A unit in an AB Fund confers on a unitholder a beneficial interest in the assets of the AB Fund, but not an entitlement or interest in any particular part of the relevant AB Fund or any asset.

The constitution relating to each AB Fund provides that the liability of each unitholder is limited to its investment in the relevant AB Fund. Generally, a unitholder is not required to indemnify us or a creditor of ours against any liability of ours in respect of an AB Fund. This may not apply to certain liabilities incurred by us as a result of a unitholder's action or inaction, any act or omission requested by the unitholder or any other matter arising in connection with units held by the unitholder. In addition, no complete assurance can be given in this regard, as the ultimate liability of a unitholder has not been finally determined by the courts.

A copy of a constitution is available free of charge upon request.

Information about your investment

To help you understand your investment investors in AB Funds will receive:

- + transaction statements confirming your investments and withdrawals;
- + distribution statements confirming your income distributions received;
- + an annual tax statement to assist you in completing your tax return;
- + an annual periodic statement confirming all your investments, withdrawals and your fees and costs paid for the year.
- + annual reports (you may elect not to receive these); and
- + online access to information about your investment, such as daily unit prices.

Please note that if you are investing via an IDPS you will receive reports about your investment from your IDPS operator. If your investment in an AB Fund is held by a nominee (such as a custodian), information in relation to your investment will be sent to the registered holder.

If an AB Fund becomes a disclosing entity under the Corporations Act, it will be subject to additional regular reporting and continuous disclosure obligations. The required documents such as annual and half yearly financial reports and continuous disclosure notices will be lodged with ASIC and made available on our website at www.AllianceBernstein.com.au.

Compliance Plan

We have prepared a Compliance Plan for each AB Fund². The Compliance Plan is lodged with the Australian Securities and Investments Commission and sets out the procedures, systems and controls used by us, to ensure compliance with the Corporations Act and the relevant constitution to which the AB Fund relates. The plans are audited annually by the Compliance Plan's auditor. Any breaches are reported to the Compliance Committee and in some cases to ASIC.

Compliance Committee

We have established a Compliance Committee with a majority of independent members. The Compliance Committee monitors and reports to our board in relation to the Responsible Entity's compliance with the Corporations Act and the Compliance Plan.

An important responsibility of the Compliance Committee is to report to ASIC if it is of the opinion that we have not taken, or do not propose to take, appropriate action to deal with, and rectify, any breaches detected.

Proxy voting

We have a principles based proxy voting policy that requires us to vote our investment securities in a timely manner and make voting decisions that are intended to maximise long-term investor value. We assess each proxy proposal in light of those principles with a view to maximise long-term investment value. Reports on how we have voted Australian listed equity securities will be available at www.AllianceBernstein.com.au.

Class actions

AB Funds may participate in class actions in respect to securities held

2. As the MVE Class is a unit class of the AllianceBernstein Managed Volatilities Equities Fund, the Compliance Plan applying to the AllianceBernstein Managed Volatilities Equities Fund is the relevant Compliance Plan of the MVE Class.

AB FUNDS ADDITIONAL INFORMATION

by an AB Fund. The likelihood of success of class actions is highly uncertain because it is not usually possible to determine if a class action will be successful and if successful when the proceeds will be paid and for how much. Therefore AB Funds do not take into account potential proceeds of class actions until the class action has been settled and settlement proceeds received. This means any investor redeeming from an AB Fund before settlement proceeds are received will not benefit from a successful class action because we may not remediate prior investors.

Conflicts

Conflicts are minimised by the structure of our business. We do not take market positions on behalf of the AB Group. The services of related entities, including the services of affiliated brokers, may be used. Related entity activities are contracted on an arm's length commercial basis.

Directors and employees of AllianceBernstein Australia Limited or their related bodies corporate may, from time to time, invest in and hold units in the AB Funds or in funds issued by the AllianceBernstein L.P group.

Privacy

We are committed to collecting and using your personal information in a way that respects your privacy, in accordance with our Privacy Policy.

By completing your application, you may be providing us personal information. We may collect your personal information for the purpose of:

- + processing and accepting your application;
- + carrying out and administering investments in AB Funds on your behalf ("Investments"), including but not limited to, monitoring, auditing, evaluating, modelling data and reporting to you in connection with your Investments;
- + offering you products or services;
- + answering queries and dealing with complaints;
- + conducting our internal business operations (including meeting any relevant legal requirements); and
- + managing client relationships and improving the products and services we provide.

If you do not provide the information requested in the application form, or if the information you provide us is incomplete or inaccurate, we may be delayed in, or prevented from, processing or accepting your application. We may also be delayed in or prevented from providing to you any products or services, administering your Investments, providing information to you or otherwise meeting our obligations to you.

We may disclose your personal information:

- + internally to our staff;
- + to our related bodies corporate;
- + to any person where necessary in connection with your Investments or the provision of our products or services;
- + to our professional advisers such as auditors, accountants and lawyers, insurance companies and property managers, consistent with normal business practices;
- + to third parties we may engage from time to time to assist us in the promotion of our products and services, and who may receive limited personal information for that purpose; and
- + to external service providers (on a confidential basis) so they can provide us services related to our business, for example mailing services, IT services, unit registry and custodial services as well as archival services.

AB and its related entities may use your personal information for the purpose of directly marketing their products or services to you. You may withdraw your consent to the use of personal information for direct marketing at any time by contacting us.

Some of the persons or entities listed above may be located, or perform services, overseas. As a result, your personal information may be disclosed to a recipient in a foreign country. Where this happens, we will seek, by contract or other means, to reasonably ensure personal information is protected.

Questions about privacy

Our Privacy Policy is available online at www.AllianceBernstein.com.au or as hard copy upon request. It provides information about how you may access and seek correction of your personal information held by us as well as complain about our handling of your personal information and how we will handle any request or complaint. In particular, you can arrange for access to your personal information or lodge a complaint by contacting us on (02) 9255 1299 or by email on PrivacyAustralia@alliancebernstein.com.

If you have any complaints or questions about the privacy of your information please contact our Privacy Officer in writing via email on PrivacyAustralia@alliancebernstein.com.

If your complaint is not resolved to your satisfaction, you may write to the Privacy Commissioner at GPO Box 5218, Sydney NSW 2001 or via email on enquiries@oaic.gov.au.