

NZS Global Growth Trust

Class B

Product Disclosure Statement

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This Product Disclosure Statement ('PDS') provides a summary of significant information about the NZS Global Growth Trust (ARN 691 841 335) (the 'Fund') and contains a number of references to important information in the Additional Information Booklet (which forms part of the PDS). The Additional Information Booklet is available at www.channelcapital.com.au/funds or by calling us on 1800 940 599.

References to additional information are marked with a symbol  in this PDS. It is important that you read this PDS and the Additional Information Booklet (which forms part of this PDS) before making a decision to invest in the Fund. The Additional Information Booklet also contains the definition of capitalised terms used in this PDS.

The information in the PDS is general information only and does not take into consideration your personal financial situation, objectives or needs. You should obtain financial advice tailored to your personal circumstances.

An investment in the Fund is an investment in a registered managed investment scheme. An investment in the Fund is not a bank deposit, bank security or other bank liability. There is no guarantee of the repayment of capital from the Fund or the investment performance of the Fund.

The offer under this PDS is available only to persons who have received this PDS (electronically or otherwise) within Australia and (in limited circumstances) New Zealand unless expressly authorised by us in writing. The distribution of this PDS in jurisdictions outside Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. This PDS does not constitute an offer to any person to whom, or in any place in which, it would be illegal to make that offer.

Updated Information

Information in this PDS may change. Any updates to information that are not materially adverse to Investors will be provided at www.channelcapital.com.au/funds. Please check the website or call us or your financial adviser for any updates prior to investing. A paper copy of any updates will be provided free of charge upon request.

1. About CIML

Channel Investment Management Limited ACN 163 234 240 AFSL 439007 ('CIML', 'RE', 'we', 'our' or 'us') is a responsible entity and manager of a number of managed investment schemes and is the issuer of this PDS. Channel Capital Pty Ltd ACN 162 591 568 (authorised representative number 1274413) ('Channel Capital') provides investment management infrastructure and services across several asset classes and is the holding company of CIML.

CIML is licensed under the Corporations Act 2001 (Cth) ('Corporations Act') to act as responsible entity of the Fund. We are responsible for managing the Fund in accordance with the Corporations Act and the constitution of the Fund. You can obtain a copy of the constitution by contacting us and requesting a copy be made available to you.

CIML and its holding company, Channel Capital, have forged strategic partnerships with international and Australian fund managers across a range of different asset classes including Australian and global securities,

alternative investments and fixed income securities.

The NZS Global Growth Trust (the 'Fund') provides exposure to a diversified portfolio of global equity and equity-related securities.

NZS Capital LLC

CIML has appointed NZS Capital, LLC (the 'Investment Manager' or 'NZS Capital') as the investment manager of the Fund. The Investment Manager has a well-resourced, highly experienced team who manages global growth portfolios for institutional clients. NZS Capital is employee-owned and is based in Denver, United States.

NZS Capital's founding philosophy stems from the game theory term non-zero sum, which embodies creating win-win outcomes for all participants. Their mission is to achieve differentiated, long-term returns for clients, based on the belief that companies generating value throughout their ecosystem are likely to be more enduring and less prone to disruption.

2. How the NZS Global Growth Trust works

The Fund is an Australian registered managed investment scheme, in which amounts invested by individual Investors are pooled to buy assets on behalf of all Investors in the Fund.

When you invest in the Fund you are issued with Units. Your Units represent a beneficial interest in the Fund's assets as a whole. Your investment is not a direct investment in specific Fund assets. The value of your investment changes whenever Unit prices are recalculated. The price of Units will vary as the market value of the Fund's assets rise or fall. The most recent Unit prices are available at www.channelcapital.com.au/unit-prices. Generally, you can

increase your investment in the Fund by applying to acquire additional Units. You can also decrease your investment in the Fund by withdrawing some or all of your Units.

This PDS applies to Class B Units. References to 'Units' in this PDS refer to Class B Units, unless context states otherwise. We may in the future offer different classes of units in the Fund via a separate PDS or information memorandum which may have different rights and restrictions. We treat all Investors within a class of units equally and Investors in different classes fairly.

Fund Features	Summary
Minimum initial investment	\$100,000. However, CIML has discretion to accept lower amounts. If you invest through an IDPS, you should consult your IDPS operator to find out the minimum amount you can invest in the Fund.
Minimum additional investment	No minimum additional investment amount.
Minimum investment balance	\$100,000. However, CIML has discretion to permit a lower minimum investment balance.
Unit prices	Unit prices are calculated daily on each Business Day. The issue price for the first allotment of Units will be AU\$1.00 per Unit (fully paid) and thereafter, the subscription price for Units in the Fund will be issued at the Unit price prevailing at the time. Unit prices are determined each Business Day using the most recently calculated NAV. All Unit prices (including the first allotment of Units) will account for the prevailing buy/sell spreads.
Distributions	Distributions are typically made annually for the periods ending 30 June each year, or otherwise as determined by CIML. Market fluctuation may mean that there is no distribution for a period. All income must be distributed each financial year. CIML may vary the distribution frequency without providing you with notice. Where distributions are paid, you (or your IDPS operator) can elect on the Application Form to either have distributions automatically reinvested in further Units or paid directly in cash. If no election is made, or if bank account details are incomplete or inaccurate, distributions will be automatically reinvested.
Applications	You can make an initial or additional application for Units by completing the application form ('Application Form') available from your adviser, at www.channelcapital.com.au , by contacting CIML on 1800 940 599 or by sending an email to clientservices@channelcapital.com.au . If you are investing through an IDPS, contact your IDPS operator who will provide you with the required documentation for you to complete. In order to complete the application for Units, you are required to submit the Application Form by email or mail with CIML and pay the Application Monies. Applications received, verified and accepted prior to 3pm (Sydney time) on a Business Day will be processed using the Unit price for that Business Day. For applications accepted after 3pm (Sydney time), or on a non-Business Day, it is deemed to be received on the next Business Day, and the Unit price on that next Business Day will apply.

Withdrawals	<p>You can apply to withdraw all or part of your investment at any time, subject to the Fund being liquid and to you maintaining the minimum investment balance. If you are investing through an IDPS, your IDPS operator will provide you with information about withdrawals and any additional requirements.</p> <p>Written withdrawal requests should be lodged by email or mail with CIML. If the withdrawal requested was received by CIML prior to 3pm (Sydney time) on a Business Day, the withdrawal amount payable is calculated using the Unit price of that Business Day. If a withdrawal request is received by CIML after 3pm (Sydney time) or on a non-Business Day, it is deemed to be received the next Business Day, and the withdrawal amount payable is calculated using the Unit price for that next Business Day.</p> <p>CIML endeavours to ensure that all withdrawal proceeds are paid within 5 Business Days from the date of receipt of the withdrawal request. Investors should note however, that the Fund's constitution allows up to 21 days from acceptance of a withdrawal request. In some circumstances, such as when there is a freeze on withdrawals, during restricted or suspended trading or when there is extreme price fluctuation or uncertainty in the market for the assets of the Fund, Investors may not be able to withdraw their investment within the usual period upon request.</p> <p>The Fund is expected to be liquid; however, Investors will be notified if the Fund ceases to be liquid.</p>
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i You should read the important information about how the NZS Global Growth Trust works before making a decision. Go to 'Section 1 How the NZS Global Growth Trust works' in the 'Additional Information Booklet' available at www.channelcapital.com.au/funds. The material relating to How the NZS Global Growth Trust works may change between the time when you read this PDS and the day when you acquire the product.

3. Benefits of investing in the NZS Global Growth Trust

A summary of the significant features and benefits of investing in the Fund is as follows:

Access for Australian investors	The Fund provides access to the Investment Manager, who is not generally available to the Australian investing public. Investors have the ability to access the expertise of a proven global fund manager while also obtaining the benefit of local compliance, administration and investor support.
A well-resourced manager with a proven global growth focus	The Fund is managed by the Investment Manager, a specialist global growth equity manager dedicated to compounding capital over a multi-year time horizon. The Investment Manager has a well-resourced, highly experienced team focused exclusively on managing global growth portfolios. The Investment Manager's investment team, based in the United States, focuses on companies they believe are adaptable and capable of creating non-zero-sum (win-win) outcomes in an increasingly unpredictable world characterised by rapid technological disruption. The term non-zero-sum is derived from game-theory where one decision-maker's gain does not necessarily result in a loss for the other decision maker(s), and the net winnings of all players is greater than zero (i.e. win-win).
Diversified, actively managed portfolio	<p>The Fund predominantly invests in a diversified portfolio providing Investors with exposure to a range of high-potential, growth-oriented innovative companies.</p> <p>The Fund combines a concentrated core of ~15 "Resilient" holdings designed to perform across market environments with a diversified tail of ~40 "Optionality" positions that offer highly asymmetric risk/reward profiles. For Investors, the Resilient holdings aim to provide a foundation for the portfolio, reducing reliance on market timing, while the Optionality positions aim to add growth potential and exposure to opportunities that could significantly enhance returns without concentrating too much capital in each.</p>
Combining resilience with high potential growth	<p>The Investment Manager employs a fundamental, long-only strategy informed by the principles of Complex Adaptive Systems, which demonstrate that large, interconnected eco-systems – such as financial markets – act in unpredictable ways. The Investment Manager believes that given humans are poor at predicting the future, adaptability and non-zero-sum, or win-win outcomes for all participants, should be emphasised. This philosophy of Complexity Investing guides stock selection, portfolio construction, and team decision-making. The Investment Manager looks across sectors for innovative companies that demonstrate adaptability and the ability to generate mutually beneficial outcomes.</p> <p>The portfolio is constructed by combining Resilient and Optionality positions. Resilient holdings are highly adaptive in the face of disruption. These are long-term investments with a lower risk of disruption, where the Investment Manager believes the range of predicted outcomes is narrower. The Optionality segment consists of stocks with asymmetrical risk/reward profiles, where the magnitude of potential upside compensates for a lower hit rate. This part of the portfolio functions similarly to a venture capital portfolio. This means the portfolio is designed to be resilient in different market conditions and positioned to capture opportunities that emerge from change or disruption.</p>
Global growth equities for long-term portfolio growth	The Fund provides Investors with actively managed exposure to securities of global growth companies. The Investment Manager looks across sectors for innovative companies that exhibit adaptability and create positive non-zero-sum (win-win) outcomes for both the company and its customers, designed to capture long-term growth opportunities while building a resilient, diversified portfolio.
Investment return	The Fund aims to compound capital over a multi-year period through investments in global equity securities that may provide attractive long-term returns. ¹

¹ The Fund may not achieve its investment objective. Returns, capital and income are not guaranteed.

These benefits and features of the Fund are however subject to the various risks which may apply to an investment in the Fund as described below.

4. Risks of managed investment schemes

Investors need to understand the investment risks involved before investing in the Fund.

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up that strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The value of investments and the level of returns will vary. Future returns may differ from past returns and past performance is not a reliable guide to future performance.

Neither CIML, the Investment Manager, their directors, associates nor any of their related bodies guarantee the success of the Fund, the

i You should read the important information about the risks of the Fund before making a decision. Go to 'Section 2 Risks of Managed Investment Schemes' in the 'Additional Information Booklet' available at www.channelcapital.com.au/funds. The material relating to risks of the Fund may change between the time when you read this PDS and the day when you acquire the product.

Market risk

Movements in financial markets due to economic, environmental or political conditions, or from general market sentiment, will result in the value of the Fund's underlying assets, and hence the value of your investment, moving up or down.

General Investment Risk

Investment in shares, in general, carries a higher level of risk than investments in many other asset classes such as cash or fixed interest. There are certain market conditions in which any given investment strategy is unlikely to be profitable. Neither CIML or the Investment Manager have the ability to control or predict such market conditions.

Specific Investment Risk

Investments in shares in a company can fall in value for many reasons such as changes in internal operations, management or the business environment in which the company operates. These factors may not be predictable or identifiable prior to their impact on the market value of stocks.

Investment Manager and Responsible Entity Risk

The Fund is an actively managed portfolio and the Investment Manager's investment style may have significant impacts on the investment returns of the Fund. No single investment style will perform better than all other investment styles in all market conditions. There is a risk that the investment techniques and risk analysis employed by the Investment Manager in making investment decisions for the Fund will not produce the desired results. There is a risk that the Investment Manager's investment strategy may not be successful, and result in the underperformance of the Fund, either relative to the market and/or its peers or in absolute terms.

repayment of capital or any particular rate of capital or income return. Investments in the Fund are not guaranteed or underwritten by CIML, the Investment Manager, or any other person or party and you may lose some or all of your investment.

Some of the key risks that may impact the value of your investment in the Fund are outlined below. You need to consider the level of risk that you are comfortable with, taking into account factors such as your age, your investment time frame, other assets and investments that you have, and your overall tolerance for risk.

Additionally, there is a risk that the Investment Manager may fail to successfully implement the investment strategy successfully which may result in the loss of a significant proportion of your investment in the Fund. Matters such as the loss of key staff, the replacement of CIML as responsible entity of the Fund, or the Investment Manager of the Fund, or the failure of either CIML or the Investment Manager to perform as expected may negatively impact returns, risks and/or liquidity.

Liquidity risk

Whilst the Fund is exposed to assets traded on stock exchanges which are generally considered liquid, under extreme market conditions there is a risk that investments in the Fund cannot be readily converted into cash or at an appropriate price. In these circumstances, the Fund may be unable to liquidate sufficient assets to meet its obligations within required timeframes, including payment of withdrawals, or it may be required to sell assets at a substantial loss in order to do so.

Foreign Currency risk

As the Fund's investment in international assets are unhedged, a rise in the Australian dollar relative to other currencies will negatively impact investment values and returns. Where the Investment Manager deems it appropriate to invest in companies which earn revenues, have expenses, or make distribution, in the currency of the relevant emerging or less developed market, currency risks in connection therewith will be borne indirectly by Investors. Currency markets can be extremely volatile and are subject to a range of unpredictable forces.

Foreign investment risk

Additional risks may arise when investing overseas, including changes in foreign exchange control regulations, foreign tax legislation and withholding tax and government policy. Additionally, differences in accounting, legal, securities trading and settlement procedures can also impact on the value of the Fund's investments.

5. How we invest your money

Before deciding whether to apply for Units, you should consider the likely investment return, the risks involved in investing in the Fund and your investment timeframe.

Fund description	The Fund is an actively managed investment vehicle that primarily invests in equity and equity-related securities globally. The Investment Manager is an active asset manager whose investment philosophy is informed by Complex Adaptive Systems across stock selection, portfolio construction, and team. The Fund will primarily invest in innovative companies that exhibit adaptability and create positive non-zero-sum (win-win) outcomes for both the company and its customers.
Objective	The Fund aims to outperform the MSCI All Countries World Index Net Dividends Reinvested expressed in AUD (the 'Benchmark') (after management fees and costs) ¹
Strategy	The Fund predominantly invests in listed equity and equity-related securities (including preference shares, convertible securities, warrants, participation notes and depositary receipts) issued by innovative companies located around the world. The Fund's investment strategy may be changed on notice to Investors.
Base currency	AUD

Currency hedging	Unhedged								
Suitable for	The Fund is intended to be suitable for Investors looking to gain exposure to a diversified portfolio of listed global growth companies.								
Risk level	High Risk								
Asset Classes, Allocation and Investment Guidelines²	<table border="1"> <thead> <tr> <th>Asset Allocation</th><th>Range %</th></tr> </thead> <tbody> <tr> <td>Global Equities</td><td>95-100%</td></tr> <tr> <td>Cash & Cash Equivalents</td><td>0-5%</td></tr> <tr> <td>Derivatives</td><td>0-5%</td></tr> </tbody> </table>	Asset Allocation	Range %	Global Equities	95-100%	Cash & Cash Equivalents	0-5%	Derivatives	0-5%
Asset Allocation	Range %								
Global Equities	95-100%								
Cash & Cash Equivalents	0-5%								
Derivatives	0-5%								
<p>The Fund is a 'long-only' investment fund and eligible investments of the Fund include:</p> <ul style="list-style-type: none"> • Global Equities - securities (which may include common stock, depository receipts, preference shares, preferred stock, convertible securities, warrants and other equity-type securities) listed (or expected to be listed within six months of acquisition) on a regulated stock exchange or traded in another recognised market; • Cash; • Cash equivalents - deposits which have terms to maturity less than 12 months and which can be converted into cash within one Business Day; • Foreign currency spot contracts; and • Derivatives - in the form of futures contracts listed on global future exchanges may be used to gain or reduce exposures to relevant markets. 									
Minimum suggested timeframe	At least seven 7 years								
Switching	Currently, the Fund does not offer a choice of investment options thus the ability to switch between different products is not available.								
Labour standards, environmental social and ethical considerations	The Fund is not designed for investors who have specific labour standards or environmental, social or ethical (' ESG ') goals. When selecting, retaining or realising investments of the Fund, and subject to publicly available information, neither CIML or the Investment Manager explicitly considers economic and valuation factors including labour standards and ESG considerations and do not have a specific methodology for the extent to which these factors are considered.								

¹ The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over a rolling three to five-year period, assuming financial markets remain relatively stable during that time. The Fund may not achieve its investment objective. Returns, capital and income are not guaranteed.

² In order to carry out the investment strategy and achieve the objective set out above, the asset allocation and investment guideline target ranges may vary significantly from time to time. The Investment Manager generally expects that it would rebalance the Fund's portfolio within a reasonable period of time.

6. Fees and costs

Consumer advisory warning

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 investment 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) has a managed funds fee calculator to help you check out different fee options.

Fees and other Costs

This section shows the 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 of the information about fees and costs because it is important to understand their impact on your investment.

The information in this section below can be used to compare costs between different simple managed investment schemes. Unless otherwise stated, the fees and costs in this section are shown inclusive of goods and services tax ('**GST**') less any reduced input tax credits '**RITC**'. ASIC provides a calculator provided by ASIC, available at www.moneysmart.gov.au, which can be used to calculate the effect of fees and costs on Fund account balances.

Fees and costs summary

NZS Global Growth Trust – Class B Units		
Type of fee or cost	Amount ²	How and when paid
Ongoing annual fees and costs		
Management fees and costs The fees and costs for managing your investment	Management fees of 0.95% per annum of the NAV of the Fund for Class B Units, comprised of: <ul style="list-style-type: none"> a management fee of 0.95% per annum of the NAV of the Fund for Class B Units ('Management Fee'¹); and indirect costs of 0.00% per annum of the NAV of the Fund for Class B Units, and estimated expense recoveries of 0.00% per annum of the net asset value of the Fund referable to the Units, which includes an establishment fee.⁵ 	The Management Fee is calculated in relation to the NAV of the Fund relating to Class B Units. This fee is calculated and accrued daily and is reflected in the Unit price for Class B Units. This fee is deducted from the assets of the Fund and is generally paid monthly in arrears. The deduction of the Management Fee is reflected in the Unit price for Class B Units. CIML pays the ordinary expenses of the Fund (and not extraordinary expenses, establishment fees, indirect costs and transaction costs) from the Management Fee. Extraordinary expenses (if incurred) are not recovered from the Management Fee and are instead paid from the Fund's assets as and when incurred. Indirect costs are in addition to the Management fee but are currently estimated to be nil.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil	The Fund does not currently charge a performance fee.
Transaction costs² The costs incurred by the scheme when buying or selling assets	0% per annum of the NAV of the Fund for Class B Units.	Transaction costs generally arise as a result of applications and withdrawals and the day-to-day trading of the Fund and are deducted from the assets of the Fund as and when incurred. Transaction costs are expressed to be net of any recovery from the buy-sell spread.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)⁴		
Establishment fee The fee to open your investment	Nil	Not applicable.
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable.
Buy-sell spread³ An amount deducted from your investment representing the costs incurred in transactions by the scheme	0.08% of the application amount on application, and 0.08% of the withdrawal amount on withdrawal.	The buy-sell spread is deducted from the application amount received from, or the withdrawal amount to be paid to, applicants and withdrawing Investors respectively at the time of the relevant application or withdrawal.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable.
Exit fee The fee to close your investment	Nil	Not applicable.
Switching fee The fee for changing investment options	Nil	Not applicable.

¹ The amount of this fee can be negotiated, rebated or waived in whole or in part for certain wholesale clients, depending on factors such as amount invested. See further information in the 'Additional Explanation of Fees and Costs'.

² Unless otherwise stated, all estimates of fees and costs are based on information available as at the date of this PDS and reflect the actual costs of the Fund for the previous financial year and may include the RE's reasonable estimates where the RE is unable to determine the exact amount or information was not available at the date of the PDS. The transaction costs disclosed in this fees and costs summary are shown net of any recovery received by the Fund from the buy-sell spread charged to transacting Investors.

³ The buy-sell spread is current as at the date of preparation of this PDS. In estimating the buy-sell spread, it has been assumed that the applications or withdrawals are made during normal market conditions, as in times of stressed or dislocated market conditions (which are not possible to predict) the buy-sell spread may increase significantly and it is not possible to reasonably estimate. Current buy-sell spreads are available at www.channelcapital.com.au/funds or by calling us on 1800 940 599.

⁴ Additional fees and costs may apply, including any additional fees incurred by you if you consult a financial adviser. Please refer to the 'Remuneration of financial advisers' sub-section in the Additional Information to the PDS for further information.

⁵Please note that the Fund incurs various abnormal and extraordinary expenses upon registration of the Fund as a registered managed investment scheme

(including but not limited to legal costs associated with the registration process). CIML will charge a fund establishment fee equal to an amount up to \$102,500 (net of GST and RITC), which will be paid from the Fund assets relating to Class B and Class C units over a period of up to ten years starting from the issue of the first Class B or Class C Units. This fee forms part of the estimated expense recoveries of 0.002% per annum of the net asset value of the Fund referable to the Units. The estimated expense recoveries of 0.002% p.a. of the net asset value of the Fund is based on the assumption that the assets of the Fund relating to Class B and Class C units are equal to \$500 million and includes this establishment fee.

Example of annual fees and costs

This table gives an example of how the ongoing annual fees and costs for the Class B Units in the Fund 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 – NZS Global Growth Trust – Class B Units		BALANCE OF \$150,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR ¹
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
PLUS Management fees and costs	0.95%	And , for every \$150,000 you have in the Fund, you will be charged or have deducted from your investment \$1,425 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	Nil	And , you will be charged or have deducted from your investment \$0 in transaction costs
EQUALS Cost of the NZS Global Growth Trust - Class B Units		If you had an investment of \$150,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs in the range of: \$1,425.²
What it costs you will depend on the investment option you choose and the fees you negotiate.		

¹ This example is prescribed by the Corporations Act, and each is based on an assumption that the additional \$5,000 investment in the Fund occurs on the last business day of the year (and therefore, the management fees and costs are calculated using an investment balance of \$150,000 only). This example also assumes that the value of your investment in the Fund remains constant at \$150,000 throughout the year and that there are no abnormal or extraordinary expenses during the year. Please note that this is just an example for illustrative purposes only. In practice, the amount payable depends on the circumstances of each investor and will vary.

² Additional fees and costs may apply, including any additional fees incurred by you if you consult a financial adviser. Please also note a buy-sell spread may apply to investments into and withdrawals from the Fund, which is not taken into account in this example.

Additional explanation of fees and costs

Fees Paid to a Financial Adviser

WARNING: If you have a financial adviser, then you may also have to pay additional fees to your adviser. You should refer to your Statement of Advice which details any fees that may be payable for their advice.

Changes to Fees

The Fund's constitution sets out the fees and expenses payable by the Fund. All fees in this PDS can change without the consent

of the Investors. Reasons for a change may include changing economic conditions and changes in regulation. Fees may also change due to an increase in GST payable or a change to RITCs entitled to be claimed by the Fund. You will be given written notice of any variation of fee charged by the Fund in accordance with the Corporations Act (for example, where there is an increase in management fees or an increase to or introduction of a performance fee, you will be notified 30 days before the increase or introduction takes effect). Changes to expenses, indirect costs, transaction costs and the buy-sell spread do not require prior notice to Investors.

i You should read the important information about fees and costs' before making a decision. Go to 'Section 3 Additional Explanation of Fees and Costs' in the 'Additional Information Booklet' available at www.channelcapital.com.au/funds. The material relating to fees and costs may change between the time when you read this PDS and the day when you acquire the product.

7. How managed investment schemes are taxed

WARNING: Investing in a registered managed investment scheme (like the Fund) is likely to have tax consequences. It is strongly recommended that Investors obtain tax advice from their professional advisers, particular to their own circumstances, prior to investing or otherwise dealing with their Units.

Registered managed investment schemes (like the Fund) do not pay tax on behalf of Investors. Investors are assessed for tax on any income and capital gains generated by the Fund.

The Fund is an Australian resident for tax purposes and does not generally pay tax on behalf of its Investors. Australian resident Investors are assessed for tax on any income and capital gains generated by the Fund which are attributed to them.

i You should read the important information about 'How Managed Investment Schemes are Taxed' before making a decision. Go to 'Section 4 How Managed Investment Schemes are Taxed' in the 'Additional Information Booklet' available at www.channelcapital.com.au/funds. The material relating to taxation may change between the time when you read this PDS and the day when you acquire the product.

8. How to apply

Direct Investors

A copy of the Application Form can be obtained at www.channelcapital.com.au/funds or by contacting CIML on 1800 940 599 or sending an email to clientservices@channelcapital.com.au.

Applications received, verified and accepted by us prior to 3pm (Sydney time) on a Business Day will be processed using the Unit price for that day.

To invest, simply complete the Application Form (including the provision of other documentation required for identification purposes) and return it to:

Apex Fund Services
Attn: Unit Registry
GPO Box 4968, Sydney NSW, 2001

Need help completing the Application Form?

Contact Apex t: 1300 133 451
e: registry@apexgroup.com

Application Monies can be paid via electronic funds transfer. Instructions and bank account details can be found on the Application Form.

Indirect Investors

If you are investing via an IDPS, please do not complete our Application Form. Instead, complete the forms the IDPS operator requires and if you have further enquiries, that operator can help. We authorise the use of this PDS as disclosure to Investors who invest via an IDPS.

Cooling off period

If you are a retail client (as defined in the Corporations Act) and are investing directly in the Fund, you have a 14-day cooling off period in relation to your investment. No cooling off rights apply if you have invested via an IDPS.

The cooling off period applies if the investment into the Fund is either new or additional and is not a reinvestment of distributions, and where you have not exercised any rights conferred by the investment during

the cooling off period. You may exercise your cooling off rights within a period of 14 days commencing on the earlier of the time your application is confirmed, or the end of the fifth Business Day after your Units are issued.

In the event you exercise your cooling off rights the amount you receive will reflect any movement (either up or down) in the Unit price of the Fund which means there may be capital gains tax implications for you. We may also be obliged to deduct any tax or duty incurred by us and reasonable administrative and transaction costs. As a result, the amount returned to you may be less than the amount initially invested.

Cooling off rights do not apply where the Fund is not liquid (as defined in the Corporations Act).

Complaints resolution

We aim to resolve any concerns or complaints quickly and fairly and we will respond within 30 calendar days after receiving the complaint. If you have a concern or complaint about any aspect of your investment in the Fund, please contact us at:

Channel Investment Management Limited
GPO Box 206 Brisbane QLD 4001
t 1800 940 599
e clientservices@channelcapital.com.au

We are a member of and participate in the Australian Financial Complaints Authority ('**AFCA**'), an independent complaint resolution organisation. If you feel your complaint has not been satisfactorily resolved, you are entitled to make a complaint to AFCA at the following address:

Australian Financial Complaints Authority
GPO Box 3 Melbourne VIC 3001
t 1800 931 678
e info@afca.org.au

Investors investing through an IDPS can also access our complaints resolution process (including AFCA) if they have concerns or complaints about the Fund. Indirect Investors who have concerns or complaints about their IDPS should contact their IDPS operator.

9. Other information

Keeping you informed

As an investor in the Fund you will receive:

- Confirmation of your investments and withdrawals;
- An annual tax statement;
- A periodic statement detailing the transactions during the period and the balance of your investment;
- A distribution statement, following each distribution; and
- The annual accounts for the Fund.

Availability of documents

If the Fund becomes a disclosing entity for Corporations Act purposes and subject to regular reporting and disclosure obligations, copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office.

A copy of the annual financial report for the Fund most recently lodged with ASIC, as well as any half-year financial report lodged with ASIC after that annual financial report but before the date of

this PDS, will be available free of charge from us upon request. If the Fund becomes a disclosing entity, we will satisfy our continuous disclosure obligations for the Fund in accordance with ASIC's good practice guidance by publishing material information on our website at www.channelcapital.com.au/funds. Accordingly, given the disclosure of material information will be made on our website, we will not be required to lodge continuous disclosure notices for the Fund with ASIC.

Consent

The Investment Manager and Apex have each given, and have not withdrawn before the date of this PDS, their written consent to be named in this PDS for the Fund in the form and context in which they are named, and in the case of the Investment Manager, to the extent that this PDS contains statements by the Investment Manager or includes statements based on any statement of or information provided by the Investment Manager, each such statement being included in this PDS in the form and context in which it appears.



You should read the other important information about the Fund before making a decision. Go to 'Section 5 Other Information' in the 'Additional Information Booklet' available at www.channelcapital.com.au/funds. The material relating to other information may change between the time when you read this PDS and the day when you acquire the product.