



**APOSTLE DUNDAS GLOBAL EQUITY FUND  
– CLASS D UNITS (MANAGED FUND)**

**ARSN 093 116 771 / ASX CODE ADEF**

---

**Product Disclosure Statement**

---

Issued 30 September 2022

**Contact Details**

To request a free printed copy of this PDS or updated Fund performance, contact K2 at:

Level 32, 101 Collins Street, Melbourne, VIC, 3000

Phone 03 9691 6111

Email [apostle@k2am.com.au](mailto:apostle@k2am.com.au)

Fax 03 9691 6170

Website [www.k2am.com.au](http://www.k2am.com.au)

For lodging complaints and dispute resolution, please refer to Section 09 on page 13 of this PDS.

Issued by

K2 Asset Management Ltd

ABN 95 085 445 094 / AFSL 244 393

## About this PDS

This Product Disclosure Statement ('PDS') has been prepared and issued by K2 Asset Management Ltd ('K2', 'we' 'us' or 'Responsible Entity') and is a summary of general information relating to an investment in the Apostle Dundas Global Equity Fund - Class D units (the 'units' or 'Class D units').

Units in the Fund are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. By becoming an investor in the Fund, you agree to be bound by this PDS. The information provided in the PDS does not take account of your personal financial situation or needs. You should obtain professional financial advice tailored to your personal circumstances and consider the suitability of the Fund in view of your financial position, investment objectives and needs before making an investment decision.

The D Class units are a new class of units for the Apostle Dundas Global Equity Fund for which is exclusively accessible on the Australian Securities Exchange ('ASX'). Investors may also invest in the Fund through the existing Class B Units (for Wholesale Investors) and Class C (for retail and NZ investors).

This PDS is dated 30 September 2022 and a copy of this PDS was lodged with ASIC on that date. At the time of lodgement of this PDS with ASIC, the Responsible Entity has made an application to the ASX for the quotation of units in the Fund on the ASX with the exchange ticker: ADEF. If the application is approved by ASX and the units in the Fund are quoted on the ASX, the units will be able to be traded on the ASX. No representation is made concerning the Fund's quotation on the ASX. Neither ASIC, ASX nor their officers take any responsibility for the contents of this PDS. Admission to the official list of ASX is in no way an indication of the merits of the Fund.

### Access to information

This PDS is not an offer or invitation for the Fund in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. It is your obligation to seek any advice on, and observe any legal restrictions on investment in the Fund which may apply to you.

### No guarantee of the repayment of capital or a rate of return.

Neither the Responsible Entity, the Investment Manager, Sub-Investment Manager, Custodian and Unit Registry nor any of their respective employees, agents and officers guarantee the success, repayment of capital, rate of return on income or capital or investment performance of the Fund.

### Update of information

Information in this PDS is subject to change of a type that is not materially adverse from time to time. Such updates will be published on the ASX Market Announcement Platform and at [www.k2am.com.au](http://www.k2am.com.au). A paper copy of any updated information will be provided free of charge on request by emailing [apostle@k2am.com.au](mailto:apostle@k2am.com.au), and on the K2 website.

As a disclosing entity, the Fund has regular reporting and disclosure obligations under the Corporations Act. In accordance with ASIC guidance, all material information will be available to investors at [www.k2am.com.au](http://www.k2am.com.au). A copy of any document lodged with ASIC to comply with disclosure requirements may be obtained from or inspected at an ASIC office. On request, the Responsible Entity will provide investors with copies of the most recent annual financial report for the Fund, the half-yearly financial report and any continuous disclosure notices.

Updated information about performance, unit prices, Fund size and other general information about the Fund will be published on the ASX Market Announcement Platform and at [www.k2am.com.au](http://www.k2am.com.au).

### New Zealand Investors

The offer to which this PDS relates is only available to persons receiving this PDS in Australia and New Zealand (electronically or otherwise). New Zealand investors must read 'Information for New Zealand Investors' see section 12 on page 15 before investing in the Fund.

### Authorised use of PDS

The Responsible Entity has authorised this PDS for the use of investors who invest directly in the Fund, as well as for investors who invest indirectly through an investor directed portfolio service, master trust, wrap account or an investor directed portfolio service-like scheme ('IDPS'). The operator of an IDPS is referred to in this PDS as the 'IDPS Operator' and the disclosure document for an IDPS is referred to as the 'IDPS Guide'. If you invest through an IDPS, your rights and liabilities will be governed by the terms and conditions of the IDPS Guide. The Responsible Entity consents to the use of this PDS by IDPS Operators who include the Fund on their investment menus but accepts no responsibility for IDPS Operators or any failure by an IDPS Operator to provide Indirect Investors with a current version of this PDS or to withdraw the PDS from circulation if required by the Responsible Entity.

### References in this PDS

All amounts in this PDS are in Australian dollars. All fees are inclusive of goods and services tax ('GST') and take into account reduced input tax credits ('RITC') if applicable. All fees in this PDS are rounded to two decimal places. All references to time and to Business Days are to Sydney time and Business Days.

For a glossary of terms used in this PDS see section 14 on page 17.

### Fund Constitution

The responsibilities and obligations of the Fund's Responsible Entity are governed by the Fund's constitution ('Constitution'), the Corporations Act and general trust law. The Constitution, together with the PDS, the Corporations Act and other laws, regulate our legal relationship with investors in the Fund. If you invest in the Fund, you agree to be bound by the terms of the Fund's PDS and the Fund's Constitution. You can request a copy of the Constitution free of charge. Please read these documents carefully before investing in the Fund.

We may amend the Constitution from time to time in accordance with the provisions in the Constitution and the Corporations Act.

## Contents

01	Key features at a glance	4
02	Key parties	5
03	How the Apostle Dundas Global Equity Fund – Class D units work	5
04	Benefits of investing in the Fund	6
05	Risks of managed investment schemes	6
06	How we invest your money	8
07	Fees and costs	9
08	How managed investment schemes are taxed	12
09	How to transact on your investment	13
10	ASX AQUA Rules	14
11	The Fund's service providers	15
12	Information for New Zealand investors	15
13	Additional Information	16
14	Terms used in this PDS	17

### **Investment Manager**

Apostle Funds Management Pty Limited  
ABN 16 129 922 612, AFSL No 458375

### **Sub-Investment Manager**

Dundas Partners, LLP  
UK Company Number: SO304023

### **Custodian/Administrator**

State Street Australia Limited  
ABN 21 002 965 200  
Level 14, 420 George St,  
Sydney NSW 2000  
[www.statestreet.com](http://www.statestreet.com)

### **Unit Registry**

Boardroom Pty Limited  
ABN 14 003 209 836  
Level 7, 411 Collins St,  
Melbourne VIC 3000  
[www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### **Responsible Entity**

K2 Asset Management Ltd  
ABN 95 085 445 094, AFSL No 244393  
Level 32, 101 Collins St,  
Melbourne VIC 3000  
Ph: +61 3 9691 6111  
[www.k2am.com.au](http://www.k2am.com.au)

## 01 Key features at a glance

Key features	
Fund category	Long only global listed equities
ASX code	ADEF
ARSN	093 116 771
Suggested investment timeframe	The minimum suggested timeframe for investing in the Fund is 5 years
Typical number of stocks held	60 – 100 equity positions
Investment management fee	0.90% p.a. of NAV (incl. GST & RITC)
Investment objective	Long-Term dividend growth and capital appreciation. The target is to exceed the MSCI All Country World ex Australia Index by 2.5% pa after all fees and expenses on a rolling 5 year basis.
Investment style	The investment style is active with the aim of building Long-Term wealth with low turnover.
Unit prices	Available at <a href="http://www.k2am.com.au">www.k2am.com.au</a>
Applications	Throughout the ASX Trading Day.
Minimum initial investment	No minimum number of units that investors can buy on the ASX market.
Additional investment	You can add to your investment at any time by purchasing additional units on the ASX market.
Valuation	See section 03 page 5
Redemptions	Throughout the ASX Trading Day.
Minimum withdrawals	There is no minimum number of units that investors can sell on the ASX market.
Access to your investment	Settlement of your sale proceeds occurs via the CHESS settlement service on the second Business Day after trade date.
Reporting	Monthly performance updates will be available on <a href="http://www.k2am.com.au">www.k2am.com.au</a>
Distributions	The Fund may pay distributions shortly after 31 December and 30 June each year.
Investment Manager	Apostle Funds Management Pty Limited
Responsible Entity	K2 Asset Management Ltd
Sub-Investment Manager	Dundas Partners, LLP
Administrator & Custodian	State Street Australia Limited
Client Services	Client Services Telephone: +61 3 9691 6191 Email: <a href="mailto:apostle@k2am.com.au">apostle@k2am.com.au</a>

## 02 Key parties

### The Responsible Entity

#### K2 Asset Management Ltd

K2 Asset Management Ltd (ABN 95 045 885 094) (AFSL 244393), a subsidiary of K2 Asset Management Holdings Ltd (ABN 59 124 636 782), which is a public company listed on the Australian Securities Exchange (ASX: KAM), is the Fund's Responsible Entity and issuer of this PDS. K2 was established in Melbourne in 1999 and specialises in managed funds for retail, wholesale and institutional investors.

The responsibilities and obligations as the Fund's Responsible Entity are governed by the Fund's constitution ('Constitution'), the Corporations Act and general trust law.

As Responsible Entity, K2 oversees the operation and management of the Fund and is required to act in the best interests of investors. K2 will also act as a buyer and seller of units on the ASX market on behalf of the Fund to assist in providing liquidity to investors. K2 has appointed a market participant to help it perform this market making function.

### The Investment Manager

#### Apostle Funds Management Pty Limited

The Responsible Entity has appointed Apostle Funds Management Pty Limited ('Apostle') as the Investment Manager of the Fund. Apostle provides investment related services to Australian and New Zealand investors. Apostle entered the Australian market in 2008, providing integrated portfolio solutions for institutional clients.

Apostle is an Australian incorporated company and holds an Australian Financial Services Licence ('AFSL').

Apostle has appointed Dundas Partners, LLP ('Dundas') as the Sub-Investment Manager of the Fund, to make the day-to-day investment management decisions.

### The Sub-Investment Manager

#### Dundas Partners, LLP

Dundas is an independent global equity investment manager based in Edinburgh. They manage a single investment strategy - global equities - in pursuit of capital and dividend growth to keep their clients' funds intact from the corrosive effect of inflation. They aim to invest in the best public companies from around the world, relying upon their own research to identify them.

The Fund comprise up to 100 stocks with no distinction between developed and emerging markets.

By investing in equity shares, the Fund aims to gain a direct interest in companies' wealth generation experienced in two distinct ways, capital growth and dividends. Dundas' investment strategy pays equal attention to both elements.

As an independent firm, Dundas manages client's portfolios free from conflicts of interest.

### Indemnity

The above entities are indemnified out of the Fund against all liabilities and expenses incurred by them in properly performing any of their duties, exercising any of their powers, or omitting to act in relation to the Fund, or attempting to do so. Subject to the Corporations Act, provided they act in good faith and without negligence, the above entities are not liable to investors for losses in relation to the Fund (except in certain circumstances, where it can be indemnified from the Fund).

K2, Apostle and Dundas and the other agents of the Responsible Entity do not guarantee the performance of the Fund.

The Fund's past performance is no indication of its future performance. The Fund's returns are not guaranteed.

## 03 How the Fund works

The Fund is a registered managed investment scheme governed by the Constitution. The Fund comprises assets which are acquired in accordance with the Fund's investment strategy. In a unit trust structure, when you invest your money, it is pooled with other investors funds. Each unit represents an equal share in the net asset of the Fund, or where there are classes of units, of the net assets referable to that class. The rights of unitholders are set out in the Fund's Constitution.

### Investing in the Fund

An application has been made for the Fund's units to be admitted to trading status on the ASX market. Quotation on the ASX market allows investors to trade units on the ASX market in the same way as trading ASX listed securities. Investors do not need to complete an application form and the purchase of your units will be settled in the same way as a purchase of listed securities through the ASX CHESS settlement service. The entry price into the Fund will be the price at which you purchase units on the ASX market.

### Withdrawing from the Fund

Investors can withdrawal from the Fund by selling units on the ASX market through their stockbroker. Investors do not need to complete a withdrawal form. The exit price will be the price at which you sell units on the ASX market and you receive proceeds from the sale of your units through the ASX CHESS settlement service in the same way as if you had sold securities on the ASX market.

### Access to your money

Settlement of your sale proceeds occurs via the CHESS settlement service on the second Business Day after trade date.

Exceptional circumstances may arise where you will be able to make an off-market requests to withdraw your investment from the Fund where units in the ASX market have been suspended, subject to any provisions contained in the Fund's Constitution.

### Valuation

The Net Asset Value ('NAV') per unit is calculated daily by deducting all liabilities (including fees) referable to the Class D units and dividing this by the number of units on issue in the class. An indicative NAV ('iNAV') is also calculated throughout the ASX Trading Day updating the NAV. The iNAV will be published on [www.k2am.com.au](http://www.k2am.com.au) as calculated.

### Distributions

An investor's share of any distributable income is generally based on the number of units held by the investor at the end of the distribution period. The Fund usually distributes income semi-annually at the end of June and December via reinvestments in the Fund, unless the investor indicates to have the distributions directly credited to their bank account. There is no Buy Spread on distributions that are reinvested.

In some circumstances, the Constitution may allow for an investor's withdrawal proceeds to be taken to include a component of distributable income.

New Zealand investors can only have their distribution paid in cash if an Australian domiciled bank account is provided, otherwise it must be reinvested.

### Reporting

Monthly performance and other updates will be provided at [www.k2am.com.au](http://www.k2am.com.au).

By purchasing units on the ASX market, you will receive a holding statement from the Unit Registry which sets out the number of units held. The holding statement will specify the "Holder Identification Number" or "Shareholder Reference Number" allocated by CHESS.

### IDPS Indirect investors

If you are investing through an IDPS, other conditions may apply to investing, and access to your money, in the Fund and to distributions. You should consult the IDPS terms and conditions.

## 04 Benefits of investing in the Fund

Investing in the Fund offers a range of benefits, including:

### Expertise

You benefit from the skill and experience of the Investment Manager, Apostle, and Sub-Investment Manager, Dundas.

### Market Access

You can easily gain exposure to global securities that may not be present in your current investment portfolio. The Fund is an actively managed portfolio of global equities in 60 to 100 leading global companies from developed and emerging markets.

### Flexibility

The Fund invests in a diverse range of global listed equities rather than reflecting an index or benchmark.

### ASX Trading and CHES Settlement

You will be able to buy and sell units on the ASX market and benefit from CHES settlement and reporting.

### Risk Management

The Responsible Entity, Investment Manager and Sub-Investment Manager all employ various risk management strategies, and stringent compliance procedures.

## 05 Risks of managed investment schemes

All investments carry risks. Different investment strategies may carry different levels of risk, depending on the assets acquired under the strategy. The level of risk for each person will vary depending on a range of factors, including age, investment time frames, where other parts of your wealth are invested and your risk tolerance.

Risks that should be considered when investing in the Fund include, but are not limited to, the following:

### Active management risk

Dundas does not invest in a predetermined basket of securities, such as a basket of securities that reflects an index, but instead selects securities that meet its investment criteria. There is the risk that the Fund may underperform the markets return.

### ASX Market risk

The ability to buy and sell units on the ASX market could be limited and may impact the liquidity of your investment. No trading will occur during any period where ASX suspends trading of the Fund's units. It is also possible that the price at which units trade on the ASX market is materially different to the NAV per unit or iNAV.

### Concentration risk

Concentration of investments in the Fund (between individual investments and types of investments) will reduce the potential benefit of diversification. Diversification has the potential benefit of reducing volatility of investment.

### Company specific risk

The value of investments can vary because of changes to a company's management, internal operations, product distribution or the company's business environment. Returns are affected by the underlying strength of the cash flows, balance sheets and management of the companies in which the Fund invests. An investment in shares carries the risk of a decline in value or a decrease in, or failure of payment in, distributions because of a number of factors, including a fall in investor confidence, poor management or changes in a company's competitive environment or internal operations.

### Conflict of Interest risk

The Responsible Entity of the Fund also acts as the market maker. A conflict might arise between the Fund and investors trading units of the Fund on the ASX due to the Fund's aim to benefit from its market making activities. A conflict may also arise as the Responsible Entity could use market making activities to influence the performance of the Fund. The Responsible Entity maintains a conflicts of interest policy to ensure it manages its obligations to the Fund so that any conflicts are managed appropriately.

### Currency risk

Currency risk is the sensitivity of the portfolio value to movement in foreign exchange rates. Dundas quantifies the risk of each individual security but does not actively manage currencies in aggregate for the Fund. Therefore, there is a risk that they may be adversely affected by currency movements.

### Derivative risk

The Fund does not invest in derivatives.

### Emerging markets risk

Emerging markets are more likely to experience greater volatility than markets in developed countries. Securities traded in emerging markets also have more limited liquidity when compared to securities traded in developed countries. This means that those securities may fall more sharply and rapidly than securities traded in developed countries. Further risks include differences in auditing and financial accounting standards, less regulated markets, less developed corporate laws and political risk.

### Fund risk

As with all managed funds, there are risks particular to the Fund including: that the Fund or the Class D units could be terminated, the fees and expenses could change, or service providers are changed.

### iNAV risk

The iNAV is indicative only and may not accurately reflect the true value of the underlying assets of the Fund.

### **Interest rate risk**

Changes in official interest rates can directly or indirectly impact (negatively or positively) on investment returns. For instance, rising interest rates can have a negative impact on the Fund's or a company's value as increased borrowing costs may cause earnings to decline. As a result, the unit value and the share price of shares in the portfolio may fall.

### **Legal risk**

The Fund may be affected by the actions of governments and regulatory bodies. Legislation could be imposed retrospectively or may be issued in the form of internal regulations of which the public may not be aware. Legislation (including legislation relating to tax) or regulation may be introduced which inhibits the Fund from pursuing its strategy or which renders an existing strategy less profitable than anticipated. These actions may take any form and may be imposed without prior warning by any regulator. This risk is generally higher in developing countries.

### **Liquidity risk**

There may be times when securities may not be readily sold. If the Fund becomes illiquid, withdrawals from the Fund may be suspended.

### **Market risk**

The value of investments may fluctuate significantly over short periods of time. These fluctuations can be caused by changes in interest rates, economic cycles, investor sentiment, pandemic outbreaks, environmental issues and political, social, technological and legal events. These changes can directly or indirectly create an environment that influences (negatively or positively) the value of investments in the Fund.

In addition, a downward move in the general level of the equities market can have a negative impact on the performance of the Fund. As such returns are not guaranteed, and you may lose some money.

### **Market Making risk**

The Fund will bear the risk of the Responsible Entity acting as market maker on the Fund's behalf. The Fund may be impacted by an error in the execution of market making activities or in the price at which units are transacted on the ASX market. This may have a negative or positive impact on the Fund's NAV. To manage this risk, the Responsible Entity can increase the spread at which it makes a market. Subject to the ASX AQUA Rules and ASX Operating Rules, the Responsible Entity can also limit or cease its market making activities for a period of time. There is also a risk that the market participant appointed by the Responsible Entity may make an error in the execution of market making activities. If these errors cannot be corrected, the Fund may incur losses.

K2, on behalf of the Fund, may provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units. At the end of each ASX Trading Day, the Responsible Entity will create or cancel units by applying for or redeeming its net position in units bought or sold on the ASX. The Responsible Entity's appointed agent will act on behalf of the K2 to transact and facilitate settlement on its behalf.

### **Operational risk**

Operational risk addresses the risk of trading and back office or administration issues that may result in a loss to the Fund's portfolio. This could be the result of oversight, ineffective security processing procedures, computer system problems or human error. Apostle, Dundas and K2 have instituted certain practices and processes within their respective operations and business administrations designed to wherever possible mitigate the operational risk consequences that arise.

### **Political risk**

There may be high political risk in certain countries due to the fragile political environment of those countries. Political instability and/or political disturbances are more common in emerging markets than in developed nations. There may be higher economic risk from policy mistakes, as governments are less accountable than in developed nations. Examples of severe currency depreciation have also occurred in some nations.

### **Stock selection risk**

Dundas may make poor investment decisions resulting in sub-standard returns (for example where Dundas invests in a company, fund or issuer that significantly underperforms the share market).

### **Termination of the Fund or Fund or units, removal from quotation risk**

To allow for continued quotation of securities under the ASX AQUA Rules, certain requirements are imposed. There is a risk that the Fund will not be able to continue to meet these requirements in the future or that ASX may change the quotation requirements. The Responsible Entity may also elect to terminate the Class D units or Fund in the future for any reason, such as if the Fund's objectives can no longer be achieved.

## 06 How we invest your money

Before choosing to invest in the Fund, you should consider the likely investment returns, the risks of investing and your investment timeframe. The Fund should be considered a Long-Term investment.

### Investment objective

The Fund's investment objective is to deliver Long-Term dividend growth and capital appreciation. The target is to exceed the MSCI All Country World ex Australia Index by 2.5% p.a. after all fees and expenses on a rolling 5 year basis.

### Benchmark

MSCI All Country World ex Australia Index.

### Risk level of the Fund

High – There is a risk that investors may lose some or all of their investment.

### Investor suitability

The Fund may be suitable for investors looking for exposure to an equity portfolio comprised of growing companies with above average dividend growth or income seeking investors.

### Investment style and approach

The investment style is active with the aim of building Long-Term wealth with low turnover.

The Fund is permitted to invest in ordinary shares (fully or partly paid), preference shares, instalment receipts, convertible notes, company issued rights, exchange traded funds of a relevant index, stapled securities, private placement securities, investments in listed pooled vehicles and cash/cash equivalents (including cash held in foreign currencies).

The investment approach involves conducting a positive screen to refine the opportunity set. Dundas looks to screen out stocks which lack the wealth and cash generation characteristics they seek resulting in a list of approximately 300 stocks. Stocks which are assessed to have inadequate margins, poor balance sheets, low cash generation and deteriorating business trends are eliminated.

Dundas then conducts a positive screen to build the final portfolio based on valuations, operating margins, balance sheet strength and cash flows. The goal is to build a diversified portfolio that delivers stable dividends and capital growth.

### Asset allocation

The Fund will be invested in at least 60 and no more than 100 securities and will adhere to the following asset allocation ranges:

Global equities: 90-100%

Cash and cash equivalents: 0-10%

### Restrictions

The Fund is not permitted to:

- engage in securities lending transactions;
- borrow, open a margin account or engage in short selling;
- invest in derivatives; and or
- engage in leverage.

These investment parameters are target objectives which the Fund attempts to maintain on an ongoing basis. However it is possible that, for short periods of time the Fund may not fully comply with these investment guidelines.

### Leverage

The Fund does not use leverage to increase the net invested position of the Fund.

### Labour, environmental, social and ethical considerations

Dundas is a signatory to the *United Nations' Principles for Responsible Investment initiative (PRI)*. The principal benefit of doing so is engagement with other leaders in their industry to press for good corporate conduct and reporting.

As a signatory to the PRI, Dundas will uphold the following principles when considering good businesses for investment. Dundas will:

- Incorporate ESG issues into investment analysis and decision-making processes;
- Be active owners and will incorporate ESG issues into their ownership policies and practices;
- Seek appropriate disclosure on ESG issues by the entities in which they invest;
- Promote acceptance and implementation of the Principles within the investment industry;
- Work together to enhance their effectiveness in implementing the Principles; and
- Report on their activities and progress towards implementing the Principles.

### Valuation, Location and Custody of Assets

The Fund's assets are held in accordance with normal business practice with State Street Australia Limited. The role performed by the Custodian is set out on section 11 page 15.

### Changing the investment strategy

The investment strategy and asset allocation parameters may be changed. If a change is to be made, investors in the Fund will be notified in accordance with the Corporations Act.

### Fund performance

Up to date information on the performance of the Fund can be obtained from [www.k2am.com.au](http://www.k2am.com.au).



## 07 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 where applicable. Ask the fund or your financial adviser.

#### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC) Moneysmart** website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

### Fees and costs summary

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

Taxes are set out in another part of this document.

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

Apostle Dundas Global Equity Fund- Class D units		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1 2</sup></b>		
<b>Management Fees and Costs<sup>3</sup></b> The fees and costs for managing your investment	0.90% p.a. of the Fund's net assets	Management fees and costs are comprised of: <ul style="list-style-type: none"> <li>• A management fee;</li> <li>• Indirect costs; and</li> <li>• Recoverable expenses.</li> </ul> The management fees are calculated and accrued daily based on the NAV. It is paid monthly in arrears out of the Class Assets. Indirect costs and recoverable expenses are calculated on the basis of K2's reasonable estimate of such costs and expenses. These costs and expenses are paid directly from the Fund as they are incurred and is reflected in the unit price.
<b>Performance Fees</b> Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable
<b>Transaction Costs</b> The costs incurred by the Class when buying or selling assets	0.02% p.a. of the Fund's net assets	This estimated transaction fee is incurred and accrued daily on the buying or selling of Fund assets (as it applies). The amount shown is net of any transaction costs recovered from investors via buy-sell spreads.
<b>Member activity related fees and costs (fees for services or when your money moves in or out of the Fund)</b>		
<b>Establishment Fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution Fee</b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Buy/sell Spread</b> An amount deducted from your investment representing costs incurred in transactions by the Class	Nil	If an off-market transaction is available to investors, a buy/sell spread of +/-0.15% is incurred on the issue, or redemption, of units.
<b>Withdrawal Fee</b> The fee to close your investment	Nil	Not applicable
<b>Switching Fees</b> The fee for changing investment options	Nil	Not applicable

<sup>1</sup> All fees quoted above are inclusive of GST and net of any RITC. See below for more details as to how management costs are calculated.

<sup>2</sup> Your financial advisor may receive payment for providing advice services to you. Additional costs may be charged by your IDPS. Refer to the information below in Additional Explanation of Fees and Costs.

<sup>3</sup> The Management Fee can be negotiated. See "Differential fees" below.

## Example of annual fees and costs for the Fund

This table gives an example of how the ongoing annual fees and costs for the Apostle Dundas Global Equity Fund-Class D Units can affect your investment over a 1-year period. You should use this table to compare this product to other managed investment schemes.

The ongoing annual fees and costs in this table are an example only and are not additional to the fees and costs described in the table on page 9.

<b>EXAMPLE</b> - Apostle Dundas Global Equity Fund - Class D units	<b>Balance of \$50,000, with a contribution of \$5,000 during the year</b>	
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
<b>PLUS</b> Management fees and costs <sup>1</sup>	0.90% p.a.	<b>And</b> , for every \$50,000 you have in the Fund you will be charged \$450 each year
<b>PLUS</b> Performance fees	Nil	Not applicable
<b>PLUS</b> Transaction costs	0.02% p.a.	<b>And</b> , you will be charged or have deducted from your investment \$10 in transaction costs.
<b>EQUALS</b> Cost of Fund <sup>2</sup>		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year, you would be charged fees of <b>\$460</b> <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

<sup>1</sup> Management fees and costs are charged on your investment amount and any contribution made during the year. This example assumes the \$5,000 contribution occurs at the end of the first year, so that management fees and costs are calculated using the \$50,000 balance only.

<sup>2</sup> This cost does not include any market making costs and brokerage or advice fees paid to your broker or financial adviser.

## Additional Explanation of fees and costs

### Management fees and costs

Management fees and costs are expressed as a percentage of the Fund's Net Asset Value. The management fees and costs are made up of management fees and estimated indirect costs.

#### Management fees

The management fees of 0.90% p.a. of the Net Asset Value of the Class are payable to the Responsible Entity and include the management fees of the Investment and Sub-Investment Manager as well as custody, administration, registry, ASX and compliance expenses. The management fees are accrued daily and paid from the Fund monthly in arrears and reflected in the unit price.

#### Indirect costs

Indirect costs are generally any amount the Responsible Entity knows or estimates will reduce the Fund's returns that are paid from the Fund's assets or assets of the interposed vehicles. An interposed vehicle is generally a body, trust/fund or partnership that the Fund's assets are invested in such as underlying funds and some over the counter derivatives.

#### Recoverable expenses

There are recoverable expenses other than those referred to in the management fees section above may be reimbursed from the Fund. There are also costs incurred in relation to the operation of the Fund and are not expected to be incurred on a regular basis but also considered a recoverable cost, such as but not limited to holding investor meetings; audit, tax and legal costs; preparation of disclosure documents and overheads. Recoverable expenses have been included in the Management Fees and Costs section in the table on page 9.

## Performance Fees

There are no performance fees charged for the Fund.

## Transaction Costs

Because the Fund is actively managed, the Fund may incur transaction costs such as brokerage, buy-sell spread, settlement and clearing costs (including custody costs) and government charges such as stamp duty when assets are bought and sold. This generally happens when the assets of the Fund are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Fund.

Transaction costs could also include due diligence costs, legal advisory and other professional costs and any failed deal costs of the Fund. Additionally any costs incurred by an interposed vehicle that is a managed investment scheme may be included as a transaction cost.

Transaction costs that are incurred because investors buy or sell units in the Fund are offset by the allowances that are included in the on-market entry and exit prices set by the Responsible Entity when carrying out its market making activities. This is to ensure the costs associated with these transactions (including the market making cost referred to above) are not borne by other investors.

Transaction costs which are incurred other than in connection with applications and withdrawals arise through the day-to-day trading of the Fund's assets and are reflected in the Fund's unit price. As these costs are factored into the NAV of the Fund and reflected in the unit price, they are an additional implicit cost to the investor and are not a fee paid to the Responsible Entity. These costs can arise as a result of bid-offer spreads being applied to securities traded by the Fund. Liquid securities generally have a lower bid-offer spread while less liquid assets have a higher bid-offer spread reflecting the compensation taken by market makers in providing liquidity for that asset.

### Buy and sell spreads

In limited circumstances where an off-market transaction is available to investors, a buy/sell spread of +/-0.15% is an additional cost you will incur to enter or exit the Fund. The buy/sell spread ensures that the transaction costs associated with the off-market transaction are not borne by other investors. The money is retained in the Fund. The spread is based on the Fund's average transaction costs and may be varied by the Responsible Entity from time to time.

The transaction costs for the financial year ended 30 June 2022 were approximately 0.04% of the Fund's average NAV, of which 0.02% resulted from facilitating unitholder transactions and was recovered via the Buy/Sell Spread. The difference of 0.02% was reflected in the net investment return of the Fund. These costs may vary in the future.

## Other fees and costs

### Brokerage fees

When buying and selling units in the Fund via the ASX market, you are likely to incur brokerage fees and charges from your stockbroker.

### Market Making Costs

The Fund has on-market entry and exit prices based around the iNAV to ensure transactional and operational costs of applications and redemptions, along with the risk of market making, are not borne by existing unitholders. Morgans Financial Limited is the appointed market participant to execute the Responsible Entity's market making activities, provide liquidity for the units on the ASX and facilitate settlements. The market participant earns a fee of 0.05% (GST exclusive) of the value of all transactions in units of the Fund from market making activities. The fee is payable by the Fund and is subject to GST. This fee is offset by allowances included in the on-market entry and exit prices.

Any profit from market making is retained in the Class and forms part of the Class' performance returns. As such, it is included in the calculation of investment management fees.

### Advice fees

Your financial adviser may receive payment for providing advice services to you. You may separately negotiate an advice fee for the advice services provided to you. Additional costs may be charged by your IDPS. Refer to the Statement of Advice prepared of Financial Services Guide by your financial adviser in which details of these fees are set out.

### **Can the fees change?**

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. At least 30 days' notice will be given if there is any proposed change to the management fees. The Fund's constitution defines the maximum that can be charged for fees described in this PDS.

### **Differential Fees**

The Responsible Entity or Investment Manager may from time to time negotiate a different fee arrangement with certain Australian and New Zealand Wholesale Investors.

## 08 How managed investment schemes are taxed

Investing in a managed investment scheme is likely to have tax consequences. The registered managed investment scheme does not pay tax on behalf of investors. As such, you will be personally assessed for tax on any net income and capital gains generated by the scheme. In normal circumstances, you should expect that some income and/or capital gains will be generated each year. The taxation of managed investment schemes is complicated, and you are strongly advised to seek professional tax advice relevant to your own circumstances before investing in the Fund.

### Attribution Managed Investment Trust ('AMIT')

The Fund is an Attribution Managed Investment Trust ('AMIT') and falls into the AMIT regime.

The AMIT provisions apply an attribution model whereby the Responsible Entity of the Fund attributes amounts of trust components of a particular character to investors on a fair and reasonable basis consistent with the operation of the Fund's Constitution, which includes provisions in relation to AMIT. Under the AMIT rules, the following will apply:

**Fair and reasonable attribution:** Each year, the Fund's determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) will be allocated to investors on a "fair and reasonable" attribution basis, rather than being allocated proportionally based on each investor's present entitlement to the income of the Fund.

**Unders or overs adjustments:** Where the Fund's determined trust components for a year are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains / losses or expenses), then unders and overs may arise. Unders and overs will generally be carried forward and adjusted in the year of discovery.

**Cost base adjustments:** Where the distribution made is less than (or more than) certain components attributed to investors, then the cost base of an investor's units may be increased (or decreased). Details of cost base adjustments will be included on an investor's annual tax statement, referred to as an AMIT Member Annual Statement ('AMMA').

**Large withdrawals:** In certain circumstances, gains may be attributed to a specific investor, for example, gains on disposal of assets to fund a large withdrawal being attributed to the redeeming investor.

**Penalties:** In certain circumstances (e.g. failure to comply with certain AMIT rules), specific penalties may be imposed.

The AMIT regime is intended to reduce complexity, increase certainty and reduce compliance costs for managed investment trusts and their investors. Where the Fund's election into the AMIT regime is not effective for an income year (e.g. the Fund does not satisfy the requirements to be a managed investment trust for the income year), the Tax Law applicable to non-AMITs should be relevant. In particular, the Fund should not generally pay tax on behalf of its investors and instead, investors should be assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled.

### Australian Taxation of Non-Resident Investors

Australian withholding tax may be withheld from distributions of Australian source income and gains attributed to a non-resident investor. We recommend that non-resident investors seek independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant Double Taxation Agreement / Exchange of Information Agreement between Australia and their country of residence.

### GST and Taxes

All government taxes such as stamp duty and GST will be deducted from the Fund as appropriate. RITCs will also be claimed by the Fund where appropriate to reduce the cost of GST to the Fund.

### Foreign Tax Resident Reporting

Laws have been introduced in Australia to implement global standards relating to the automatic exchange of financial account information between tax authorities to ensure that everyone pays the right amount of tax. As a financial institution, the Responsible Entity must identify accounts held by investors who are foreign tax residents or entities connected to foreign tax residents and report this account information to the Australian Tax Office.

This information is then shared with tax authorities in:

- the United States ('U.S.') under a system known as the Foreign Account Tax Compliance Act ('FATCA'). This is for U.S. citizens and tax residents only and applied from 1 July 2014; and
- other countries under the Common Reporting Standard ('CRS'). The CRS applies to all foreign tax residents from 1 July 2017.

On request by the Responsible Entity, it is important that you provide the Responsible Entity with information about your tax residency, the nature of your business and any beneficial owners. This will enable the Responsible Entity to comply with its obligations under the FATCA and CRS laws. If you do not respond, you may be treated as if you are a foreign tax resident, even if you are not. Penalties may apply if you deliberately or recklessly provide false or misleading information.

### Common Reporting Standard ('CRS')

The CRS is a global standard for collecting, reporting and exchanging financial information on foreign tax residents. The CRS requires certain information about an investor's tax residence to be collected. If an investor is a tax resident of any country outside Australia, we may be required to pass certain information about the investor (including account-related information) to the ATO. The ATO may further exchange this information with foreign tax authorities, depending on intergovernmental agreements on the exchange of financial information. Although the CRS does not involve any withholding tax obligations, please be aware that we may use an investor's personal information to comply with the CRS obligations, and may contact an investor if additional information is required.

## 09 How to transact on your investment

To invest in units:

1. Receive and read this PDS.
2. Purchase units in the Fund on the ASX market through your stockbroker.
3. Receive confirmation of your investment via the ASX CHESS Settlement Service.

### Acquisition and disposal of Units

#### Investing in the Fund

You can invest in units in the Fund by purchasing units on the ASX market through your stockbroker. Investors do not need to complete any application forms and the purchase of units is settled through the ASX CHESS settlement service.

The cost of investing in the Fund will be the price at which you purchase units on the ASX market plus any brokerage fee that you have agreed or negotiated with your stockbroker. You can add to your investment at any time and there is no minimum number of units applicable to you on the ASX. Subject to the ASX Operating Rules, the Responsible Entity reserves the right to refuse any purchase of units without giving a reason. Investors do not have a right to a cooling off period for units purchased on the ASX market.

#### Withdrawing from the Fund

You can sell units on the ASX market through your stockbroker. Your exit price will be the price at which you sell units on the ASX market, less any brokerage fee that you have agreed or negotiated with your stockbroker. There is no minimum number of units that you can sell on the ASX. You can only sell whole units.

#### Off-market withdrawal rights

If trading on the ASX market has been suspended for more than five consecutive Business Days, you may be able to apply to the Responsible Entity to make an off-market withdrawal of your investment from the Fund. If you wish to withdraw from the Fund when permitted, you must complete a withdrawal form which will be available on request from the Responsible Entity.

Off-market withdrawals from the Fund may be suspended during a period in which the Responsible Entity is unable to determine the NAV of the Fund because:

- an exchange or market on which investments in the Fund are quoted is closed or suspended;
- in the opinion of the Responsible Entity, it is not practicable to sell investments or where a disposal would be prejudicial to investors;
- the NAV cannot be reasonably or fairly ascertained; or
- the Fund is unable to repatriate funds to make payments on redemptions or during a period in which any transfer of funds cannot be effected at normal rates of exchange.

No units may be issued or withdrawn during such periods of suspension.

The Responsible Entity may also suspend the issue and withdrawal of units for up to 28 days in certain circumstances if:

- the quotation of units is suspended, halted or revoked;
- approval as an AQUA Product Issuer is suspended or revoked;
- the Responsible Entity considers that it is in the interests of investors;
- a redemption would cause a breach to any law, regulation or obligation under which the Fund operates; or
- it is allowed by any form of ASIC relied or otherwise permitted by law.

Where the Fund is not liquid (as defined in the Corporations Act) an investor does not have a right to withdraw from the Fund and can only withdraw where the Responsible Entity makes a withdrawal offer in accordance with the Corporations Act.

The Responsible Entity is not obliged to make such offer. You will be notified in writing of any changes to your withdrawal rights.

If you have invested indirectly in the Fund through an IDPS, the time to process an off-market withdrawal request will depend on the particular IDPS Operator.

### Unit pricing (NAV per unit)

The calculation of unit prices is performed by the Fund's Administrator each Business Day. Broadly, the NAV per unit is calculated by:

1. calculating the Gross Asset Value of the Class as at the relevant Business Day;
2. deducting any liabilities for the Class (including the management fee);
3. dividing the resulting NAV by the number of units for the Class on issue, this amount being rounded to the nearest cent (0.5 of a cent will be rounded up).

### Indicative Net Asset Value ('iNAV')

The iNAV is indicative only and we do not assure that the iNAV will always be up to date or accurately reflect the underlying value of the Fund. The iNAV will be published throughout the ASX Trading Day at [www.k2am.com.au](http://www.k2am.com.au).

### Complaints resolution

The Responsible Entity has an established complaint handling process and is committed to properly considering and resolving all complaints.

If you have a complaint about your investment, please contact K2:

by telephone: 03 9691 6111;

by post: K2 Asset Management  
Level 32, 101 Collins Street  
Melbourne VIC 3000; or

by email: [compliance@k2am.com.au](mailto:compliance@k2am.com.au).

We will acknowledge receipt of the complaint as soon as possible and in any case within 3 days of receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 45 days after receiving the complaint.

If you are not satisfied with our response, you may be able to lodge a complaint with the Australian Financial Complaints Authority ('AFCA'): online at [www.afca.org.au](http://www.afca.org.au);

by telephone: 1800 931 678;

by email: [info@afca.org.au](mailto:info@afca.org.au); or

by post: GPO Box 3, Melbourne VIC 3001.

Please quote our AFCA membership number: 12481

If investing through an IDPS, you should contact the IDPS operator for their complaint processes.

## 10 ASX AQUA Rules

An application has been admitted to trading status on the ASX market under the ASX AQUA Rules framework, this PDS is required to set out the key differences between the ASX Listing Rules and the ASX AQUA Rules. These differences are set out below, and generally relate to the level of control and influence that the issuer of a product has over the underlying instrument.

Requirement	ASX Listing Rules	ASX AQUA Rules
Continuous Disclosure	Issuers of products under the Listing Rules are subject to the continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.	<p>The Responsible Entity, as an issuer of a product under the ASX AQUA Rules, will not be subject to the continuous disclosure requirements under Listing Rule 3.1 and section 674 of the Corporations Act.</p> <p>However, under the ASX AQUA Rules, the Responsible Entity must provide ASX with information where the non-disclosure of that information may lead to the establishment of a false market in the Fund's units or would materially affect the price of the Fund's units.</p> <p>The Responsible Entity is required to disclose information about the NAV per unit daily. The Responsible Entity must also disclose information about:</p> <ul style="list-style-type: none"> <li>– net monthly applications and redemptions.</li> <li>– dividends, distributions and other disbursements; and</li> <li>– any other information that is required to be disclosed to ASIC under section 675 of the Corporations Act.</li> </ul> <p>The Responsible Entity will make any required disclosures through the ASX Market Announcements Platform at the same time as it is disclosed to ASIC.</p>
Periodic Disclosure	Issuers of products under the ASX Listing Rules are required to disclose half yearly and annual financial information or annual reports under Chapter 4 of the ASX Listing Rules.	<p>The Responsible Entity, as an issuer of a product under the ASX AQUA Rules, is not required to disclose half yearly and annual financial information or reports.</p> <p>However, the Responsible Entity is still required to lodge with ASIC financial reports required under Chapter 2M of the Corporations Act.</p>
Corporate Control	Listed companies and listed managed investment schemes are subject to requirements in the Corporations Act and the ASX Listing Rules relating to matters such as takeover bids, share buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	<p>As products quoted under the ASX AQUA Rules are not shares in companies, the issuers of such products are not subject to the corporate governance requirements under the Corporations Act and the ASX Listing Rules.</p> <p>However, the Responsible Entity, as an issuer of a product quoted under the ASX AQUA Rules, is subject to the general requirement to provide ASX with information concerning itself that may otherwise lead to the establishment of a false market or materially affect the price of its products. Section 601FM of the Corporations Act will continue to apply to the Responsible Entity in relation to the removal of a responsible entity of a registered managed investment scheme by unitholders.</p>
Related Party Transactions	Chapter 10 of the ASX Listing Rules specifies controls over related party transactions (which relate to transactions between an entity and other people in a position to influence the entity).	Chapter 10 of the ASX Listing Rules does not apply to AQUA Products, such as the Fund's units. However, as the Fund is a registered managed investment scheme, it is still subject to the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.
Auditor Rotation Obligations	There are specific requirements in relation to auditor rotation under Part 2M.4 Division 5 of the Corporations Act.	<p>The Responsible Entity, as an issuer of a product quoted under the ASX AQUA Rules, will not be subject to the requirements of Part 2M.4 Division 5 of the Corporations Act.</p> <p>However, the Responsible Entity, will continue to be required to undertake an independent audit of its compliance with the Fund's compliance plan in accordance with section 601HG of the Corporations Act and the auditor must not be the auditor of the Responsible Entity's financial statements (although they may be from the same firm).</p>

## 11 The Fund's service providers

The following service providers to the Fund are not responsible for the preparation of this PDS or the activities of the Fund and therefore accept no responsibility for any information contained in this PDS.

The Responsible Entity of the Fund monitors the compliance of all of the following service providers with their contractual obligations through receipt of compliance certifications, performance reviews and audit activity performed by the Fund's external auditor.

### The Custodian

#### State Street Australia Limited

State Street Australia Ltd ('SSAL' or 'Administrator') has been appointed to act as Custodian of the Fund on terms consistent with typical Australian market practice under a custody agreement. SSAL is the Australian subsidiary of a global business and is based in Sydney. It holds an Australian Financial Services Licence and is subject to ASIC regulation. As is standard practice for global investment dealings, SSAL engages third party sub-custodians around the world to transact and hold assets for the Fund.

### The Administrator

#### State Street Australia Limited

SSAL has been appointed to act as Administrator of the Fund. The Responsible Entity and SSAL have entered into an agreement for administrative services for the Fund that sets out SSAL's role as Administrator, including its rights and obligations and the limits on its liability.

Responsibilities of SSAL include:

- calculating the NAV and unit price for the Fund on each Business Day;
- preparing unaudited financial statements for the Fund in accordance with international financial reporting standards; and
- providing certain other administrative services.

SSAL's obligations for the Fund are limited to the provision of services to the Responsible Entity, and SSAL has not undertaken any obligations to unitholders.

### The Unit Registry

#### Boardroom Pty Limited

Boardroom Pty Limited (ABN 14 003 209 836) ('Unit Registry' or 'Boardroom') have been appointed to provide unit registry services to the Fund. The Responsible Entity and Boardroom have entered into an agreement that sets out Boardroom's responsibilities, which include maintaining the Fund's register of unitholders and providing certain other administrative services.

### Appointment of New Service Providers

The Responsible Entity may remove the Fund's Custodian, Administrator or Unit Registry and appoint a replacement at any time without notice to investors. Changes to a key service provider will be disclosed to investors in the Fund's periodic disclosures.

## 12 Information for New Zealand Investors

### Warning Statement

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is sub-part 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities for this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

### Taxation

If a New Zealand resident wishes to invest in Australia, we strongly recommend that you seek independent tax advice. New Zealand resident investors will be taxed on their units under the foreign investment fund rules or ordinary tax rules, depending on their circumstances. Australian tax will be withheld at prescribed rates from distribution to non-residents to the extent that the distributions comprise relevant Australian sourced income or gains.

## 13 Additional information

### Market making on the ASX Market

The Fund's units can be bought and sold on the ASX market in the same way as ASX listed securities. At the end of each ASX Trading Day, the Responsible Entity will create or cancel units by applying for or redeeming its net position in units bought or sold on the ASX market.

When determining the price at which it will buy or sell units, the Responsible Entity will consider aspects such as the NAV per unit, market conditions and the supply and demand for units. The Fund will bear the risk of the market making activities carried out by the Responsible Entity, which may result in a cost or a benefit to the Fund.

The Responsible Entity has appointed a market participant, Morgans Financial Limited, to act as its agent to execute these market making activities. All funds admitted to ASX under Internal Market Making Arrangements must comply with the following:

- a) publish a frequent indicative NAV ('iNAV'); and
- b) make delayed disclosures of portfolio holdings at least quarterly with a delay of no more than two months.

K2 has appointed the market participant to transact and facilitate settlement on its behalf. The prices on the ASX are determined in the secondary market by market participants who set their own prices at which they wish to buy or sell units in the Fund.

### CHESS

The Fund uses the ASX Clearing House Electronic Sub-Register System ('CHESS'). Settlement through CHESS ensures investors' transactions are settled in two days (T+2).

### ASX conditions of admission

As part of the Fund's conditions of admission to trading status on the ASX market, the Responsible Entity has agreed to:

- disclose the Fund's portfolio holdings on a quarterly basis within two months of the end of each calendar quarter;
- make available half year and annual financial reports, distribution information and other required disclosures on the ASX Market Announcements Platform; and
- provide the iNAV as described in this PDS.

### ASIC relief

ASIC has granted relief from the ongoing disclosure requirements in section 1017B of the Corporations Act on the condition that the Responsible Entity complies with the continuous disclosure requirements in section 675 of the Corporations Act.

### Privacy

You should also read the important information about how our privacy policy works, before making a decision. Please read the Responsible Entity's Privacy Policy, which can be downloaded at [www.k2am.com.au](http://www.k2am.com.au).

### Unitholder meetings and voting

Unitholder meetings are to be held in accordance with the Constitution and the Corporations Act. The Responsible Entity may convene and conduct a meeting at any time and must do so if required under the Corporations Act. Unitholders' rights to request a meeting are contained in the Corporations Act.

Votes are by show of hands, unless a poll is validly demanded or required under the Corporations Act. Holders of units and Class D units have the same voting rights.

### Removal and retirement of Responsible Entity

Unitholders do not have a right to remove K2 as the responsible entity except as provided by the Corporations Act. Subject to the ASX Listing Rules, the Responsible Entity may retire in accordance with the Corporations Act and the Constitution and must retire when required under the Corporations Act.

### Duration of the Fund

The Fund and Class will continue until terminated, subject to the Corporations Act and ASX Listing Rules (as apply) either as required by operation of law or by the Responsible Entity on a date specified in a notice given to Unitholders.

On termination of the Fund or the Class, the Responsible Entity must distribute the net proceeds from the realisation of the Fund's assets among the Unitholders in proportion to the number of Units they hold in the Class on the termination date. Any proper expenses of termination and winding up will be deducted from the net proceeds of realisation before being distributed to Unitholders.

### Anti-Money Laundering and Counter Terrorism Financing ('AML/CTF')

Australia's AML/CTF laws require the Responsible Entity to adopt and maintain a written AML/CTF Program. A fundamental part of the AML/CTF Program is that up-to-date information must be maintained about investors (including beneficial owner information).

To meet this legal requirement, we may need to collect certain identification information (including beneficial owner information) and documentation ('KYC Documents') from new investors. Existing investors may also be asked to provide KYC Documents as part of an ongoing customer due diligence/verification process to comply with AML/CTF laws.

In order to comply with AML/CTF Laws, the Responsible Entity may also disclose information including your personal information that it holds about the applicant, an investor, or any beneficial owner, to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether inside or outside Australia). We may be prohibited by law from informing applicants or investors that such reporting has occurred.

The Responsible Entity shall not be liable to applicants or investors for any loss you may suffer because of compliance with the AML/CTF laws.

### IDPS Indirect Investors

Investors who invest through an IDPS which are also known as platforms or wraps ('Indirect Investors') may rely on the information in this PDS to give a direction to the operator of the IDPS to invest in the Fund on their behalf. The Responsible Entity agrees to provide notice to the operators of the IDPS promptly of any supplementary or replacement PDS that is issued under the Corporations Act.

Importantly, investors who invest in the Fund through an IDPS do not become unit holders of the Fund. In those instances the unit holder of the Fund is the operator of the IDPS. The unit holder's rights set out in this PDS may only be exercised by the operator of the IDPS on behalf of the investor for whom they have acquired the units.

Indirect Investors should read this PDS in conjunction with the offer documents issued by the IDPS Operator. Enquiries should be directed to the IDPS Operator.

### Consents

Apostle, Dundas, SSAL, Boardroom and Morgan's Financial Limited have each given and, as at the date of this PDS, have not withdrawn their written consent to be named in this PDS for their respective roles for the Fund; and their written consent to the inclusion of the statements made about them.



## 14 Terms used in this PDS

**Administrator**, Custodian or SSAL means State Street Australia Limited.

**AFSL** means an Australian Financial Services Licence.

**Apostle** means Apostle Funds Management Pty Limited.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means the Australian Securities Exchange.

**ASX AQUA Rules** refer to the ASX rules that apply to the quotation of financial products such as the Fund's units on the ASX market.

**ASX Listing Rules** means the Listing Rules of ASX and any other applicable rules of ASX, modified to the extent of any express written waiver by ASX.

**ASX Trading Day** means the day and time during which shares are traded on the ASX market.

**Business Day** means the days identified by ASX upon which settlement occurs.

**CHESS** means the Australian settlement system for products trading on the ASX.

**Class D units, Class or units** means Class D units in the Fund as offered under this PDS.

**Constitution** means the constitution under which the Class of units are created as dated 12 September 1996 as amended.

**Corporations Act** means the Corporations Act 2001 (Cth).

**ESG** means environmental, social and governance.

**Fund** means the Apostle Dundas Global Equity Fund.

**Gross Asset Value or GAV** means the value of all the assets and liabilities of the Class, prior to fees.

**GST** means Goods and Services Tax.

**IDPS** means an Investor Directed Portfolio Service. An IDPS service is generally a vehicle through which an investor purchases a range of underlying investment options from numerous investment managers, with the IDPS operator providing the investor with consolidated and streamlined transaction statements and other reporting.

**IDPS Operator** means an entity that operates and offers an IDPS.

**Indicative Net Asset Value or iNAV** refers to the estimated NAV per unit that will be published on K2's website throughout the ASX Trading Day to take into account movements in stocks that have live market prices during the ASX Trading Day to the Fund's portfolio.

**Indirect Investor(s)** means individual(s) who invest in a Fund through an IDPS.

**Initial Offer** means units offered under the terms defined in Section 14 on page 15 prior to the Fund being admitted to trading status on the ASX.

**Long-Term** means five (5) or more years.

**Net Asset Value or NAV** means the Gross Asset Value of the Class, less all liabilities including fees.

**Privacy Policy** means the policy of the Responsible Entity which governs how it manages investor privacy.

**RITC** means Reduced Input Tax Credit. The Responsible Entity will apply for reduced input tax credits on behalf of the Fund, where applicable, to reduce the GST cost to the Fund.

**Responsible Entity**, we or us means or by K2 Asset Management Ltd.

**Sub-Investment Manager** means, Dundas Partners, LLP.

**Unit Registry** means Boardroom Pty Limited.

**Unitholder, investor or member** means a unit holder in the Class.

**Wholesale Investor** means persons or entities defined as such under the Corporations Act.