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MAGELLAN HIGH CONVICTION TRUST

Lodgement of Active ETF product disclosure statement

On 1 July 2021, Magellan Asset Management Limited ("Magellan"), as responsible entity of the Magellan High Conviction Trust ("Trust"), announced its intention to transition the Trust from a closed-ended listed investment trust to an open-ended Active ETF (the "Transition").

In connection with the proposed Transition, Magellan is pleased to announce that a Product Disclosure Statement for the Trust as an open-ended Active ETF ("PDS") was lodged with ASIC on 30 July 2021. A copy of the PDS is attached to this announcement.

The offer of units in the Trust under the PDS is subject to the Transition being implemented. Further details on the proposed Transition, including the unitholder and regulatory approvals required for the Transition to be implemented, are set out in the Unitholder Booklet released to the ASX announcements platform and despatched to unitholders today.

Authorised by

Mariana Kolaroski | Company Secretary

Magellan High Conviction Trust (Managed Fund)

ARSN 634 789 754

Exchange ticker: MHHT

Product Disclosure Statement | 30 July 2021

Issued by Magellan Asset Management Limited

ABN 31 120 593 946, AFS Licence No. 304 301

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Investment in Magellan High Conviction Trust ("Trust") is offered by Magellan Asset Management Limited ABN 31 120 593 946 AFS Licence No. 304 301 (referred to in this PDS as "Magellan", the "Responsible Entity", the "Investment Manager", "we", "our" or "us").

At the time of lodgement of this PDS with ASIC, the Responsible Entity has made an application to the Securities Exchange Operator for the quotation of units in the Trust on the Securities Exchange with the exchange ticker: MHHT. If the application is approved by the Securities Exchange Operator and the units in the Trust are quoted on the Securities Exchange, the units will be able to be traded on the Securities Exchange. No representation is made concerning the Trust's quotation on the Securities Exchange.

The issue of units in the Trust under this PDS is subject to the Active ETF Transition. No representation is made concerning the outcome of the Active ETF Transition. The information in this PDS provides disclosure in relation to the Trust as if the Active ETF Transition has been implemented. There will be no issue of units in the Trust under this PDS until after the Active ETF Transition has been implemented.

The information in this PDS is of a general nature only and does not take into account an investor's personal financial situation or needs. Before making an investment decision based on this PDS, investors should consult a licensed financial adviser to obtain financial advice that is tailored to suit their personal circumstances.

The information in this PDS is subject to change from time-to-time. Information that is not materially adverse information can be updated by the Responsible Entity. Updated information can be obtained through the Trust's website www.magellangroup.com.au. Investors may request a paper copy of any updated information at any time, free of charge.

The Responsible Entity and its employees, agents or officers do not guarantee the success, repayment of capital or any rate of return on income or capital or the investment performance of the Trust. An investor's investment does not represent deposits or other liabilities of Magellan group companies.

An investment in the Trust is subject to investment risk, which may include possible delays in repayment and loss of income and principal invested. For more information on the risks associated with an investment in the Trust, please refer to Section 7 of this PDS.

This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Trust in any jurisdiction outside Australia and New Zealand. The distribution of this PDS outside Australia and New Zealand may be restricted by law and persons who come into possession of this PDS outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Unless identified to the contrary, all references to monetary amounts are to Australian dollars. Capitalised terms have the meanings given to them in the Glossary (refer to Section 13).

1. Key features at a glance

Magellan High Conviction Trust		For more Information						
Trust name	Magellan High Conviction Trust							
ARSN	634 789 754							
Exchange ticker	MHHT							
Responsible Entity and Investment Manager	Magellan Asset Management Limited ABN 31 120 593 946, AFS Licence No. 304 301	Section 2						
About the Trust	<p>The Trust is a registered managed investment scheme. Application has been made to the Securities Exchange Operator to admit units in the Trust to quotation on the Securities Exchange. Once admitted to quotation on the Securities Exchange, units in the Trust will be able to be traded on the Securities Exchange like any listed security.</p> <p>The Trust primarily invests in securities of companies listed on stock exchanges around the world. The Trust’s portfolio will typically comprise 8 to 12 stocks at any one time but will also have some exposure to cash.</p> <p>The Trust may, from time to time, hedge some or all of the capital component of the foreign currency exposure of the Trust arising from investments in overseas markets back to Australian Dollars.</p>	Section 3 and Section 8						
Investment objective	The investment objective of the Trust is to achieve attractive risk-adjusted returns over the medium to long-term.	Section 6 and Section 8						
Asset classes and allocation ranges	<p>The Trust’s assets are typically invested within the following asset allocation ranges:</p> <table><tr><th>Asset Class</th><th>Investment Range</th></tr><tr><td>Global listed securities</td><td>50%-100%</td></tr><tr><td>Cash and cash equivalents</td><td>0% - 50%</td></tr></table>	Asset Class	Investment Range	Global listed securities	50%-100%	Cash and cash equivalents	0% - 50%	Section 8
Asset Class	Investment Range							
Global listed securities	50%-100%							
Cash and cash equivalents	0% - 50%							
Net asset value	<p>The net asset value (“NAV”) of the Trust is calculated by deducting the liabilities (including any accrued fees) of the Trust from the aggregate value of assets.</p> <p>The NAV per Unit is calculated by dividing the NAV by the number of units on issue in the Trust.</p> <p>The NAV for a particular Business Day reflects the value of the Trust based on the value of the Trust’s assets at the close of trading in each market in which the Trust invests.</p> <p>An indicative NAV per Unit (“iNAV”) will be published by the Trust throughout the Trading Day. The iNAV will be updated for foreign exchange movements in the Trust’s portfolio stocks by individual stock domicile and will also be updated in respect of portfolio securities or equivalent securities that have live market prices during the Trading Day.</p>	Section 3						
Entering and exiting the Trust	<p>Investors can enter the Trust either by applying for units directly with the Responsible Entity using an Application Form or by buying units on the Securities Exchange.</p> <p>Investors can exit the Trust either by directly making a withdrawal request to the Responsible Entity or by selling units on the Securities Exchange. You need to hold your units on the issuer sponsored sub-register to make a withdrawal request directly to the Responsible Entity. Your stockbroker can assist you with this process if you hold your units on a HIN.</p> <p>The method by which you enter the Trust does not affect the method by which you can exit the Trust. If you enter the Trust by buying units on the Securities Exchange you can exit the Trust by selling units on the Securities Exchange or by withdrawing directly with the Responsible Entity. If you enter the Trust by applying for units directly with the Responsible Entity you can exit the Trust by selling units on the Securities Exchange or by withdrawing directly with the Responsible Entity.</p> <p>There are important differences between entering and exiting the Trust via the Securities Exchange or by applying for and withdrawing units directly with the Responsible Entity. These differences include, but are not limited to, the entry and exit price you will receive, and whether minimum investment amounts apply to your investment.</p> <p>An investor that applies for units directly with the Responsible Entity may pay a different price for units in the Trust to an investor who buys units on the Securities Exchange at the exact same time. Similarly, an investor who redeems units directly with the Responsible Entity is likely to receive a different price for units in the Trust to an investor who sells units on the Securities Exchange at the exact same time. These differences in prices received by investors may result in a different return from an investment in the Trust.</p>	Section 3, 4 and 5						

Trust liquidity	<p>Investors can apply for or withdraw units directly with the Responsible Entity or can buy units from and sell units on the Securities Exchange in the same way as any listed security.</p> <p>The Responsible Entity, on behalf of the Trust, may provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units. At the end of each Trading Day, the Responsible Entity will create or cancel units by applying for or redeeming its net position in units bought and sold on the Securities Exchange.</p> <p>The Responsible Entity has appointed a market participant to transact and facilitate settlement on its behalf.</p> <p>There may be other circumstances where:</p> <ul style="list-style-type: none"> • withdrawals have been suspended in accordance with the Constitution or the Trust is not liquid (as defined under the Corporations Act). In such circumstances, units in the Trust may continue to trade on the Securities Exchange provided that the Trust continues to comply with the Securities Exchange Rules. If the Trust ceases to comply with the Securities Exchange Rules, the Responsible Entity may seek a trading halt or the Securities Exchange Operator may suspend trading of units in the Trust on the Securities Exchange; or • the Securities Exchange Operator suspends trading of units in the Trust on the Securities Exchange. In such circumstances, investors may continue to withdraw directly with the Responsible Entity unless withdrawals have also been suspended in accordance with the Constitution. 	Section 3 and Section 4
Distributions	Distributions will generally be made semi-annually but may be made more or less frequently at the discretion of the Responsible Entity.	Section 3
Fees and other costs	Please refer to Section 9 for a detailed explanation of fees and costs.	Section 9
Risks	All investments are subject to risk. The significant risks associated with the Trust are described in this PDS.	Section 7
Cooling-off and complaints	Cooling-off rights do not apply to units in the Trust (regardless of whether they were bought on the Securities Exchange or applied for directly with the Responsible Entity) however a complaints handling process has been established.	Section 12
General information and updates	Further information, including any updates issued by the Responsible Entity and other statutory reports, can be found at: www.magellangroup.com.au .	Section 12
Transaction confirmations	<p>Investors buying or selling units on the Securities Exchange will receive transaction confirmations from their stockbroker.</p> <p>Investors who apply for units or withdraw their investment directly with the Responsible Entity will receive transaction confirmations from the Unit Registry, which will include your SRN.</p>	Section 3
Annual tax reporting	Annual tax statements will be made available in respect of the Trust.	Section 11

2. About Magellan Asset Management Limited

Magellan Asset Management Limited (the “**Responsible Entity**”, “**Investment Manager**”, “**Magellan**”, “**we**”, “**our**” or “**us**”) is the Responsible Entity and Investment Manager for Magellan High Conviction Trust. As Responsible Entity, we are responsible for the overall operations of the Trust.

Magellan is a wholly owned subsidiary of Magellan Financial Group Limited, which is listed on the Australian Securities Exchange (“**ASX**”).

3. About the Magellan High Conviction Trust and units

When investors make an investment in the Trust, their money is pooled together with other investors' money. The Investment Manager uses this pool to buy investments and manage them on behalf of all investors in the Trust in accordance with the Trust's investment strategy. By investing in the Trust, investors have access to the investment expertise and insights of the investment team.

Units and NAV per Unit

An application has been made to the Securities Exchange Operator for quotation of units in the Trust. Once the Trust is admitted to quotation on the Securities Exchange, the units will be able to be traded on the Securities Exchange in a similar fashion to listed securities, subject to liquidity.

The NAV per Unit estimates the value of the Trust's units based on the value of the Trust's assets at the close of trading in each market in which the Trust invests. An estimated NAV per Unit will be published daily on the Trust's website at www.magellangroup.com.au. The estimated NAV per Unit may fluctuate each day as the market value of the Trust's assets rises or falls. The Responsible Entity's NAV Permitted Discretions Policy provides further information about how the NAV per Unit is calculated. Investors can request a copy of the policy free of charge by calling the Responsible Entity on +61 2 9235 4888.

The Responsible Entity has engaged an agent to calculate and disseminate an indicative NAV per Unit ("iNAV") which will be published on the Trust's website at www.magellangroup.com.au throughout the Trading Day. The iNAV will be updated for foreign exchange movements in the Trust's portfolio stocks by individual domicile and will also be updated in respect of portfolio securities or equivalent securities that have live market prices during the Trading Day. No assurance can be given that the iNAV will be published continuously or that it will be up to date or free from error. To the extent permitted by law, neither the Responsible Entity nor its appointed agent shall be liable to any person who relies on the iNAV.

The price at which units trade on the Securities Exchange may not reflect either the NAV per Unit or the iNAV. See "Securities Exchange liquidity" in Section 4 for more details.

Investing in the Trust

Investors can enter the Trust either by applying for units directly with the Responsible Entity using an Application Form or, once the units are quoted on the Securities Exchange, by buying units on the Securities Exchange.

Investors can exit the Trust either by directly making a withdrawal request to the Responsible Entity or by selling units on the Securities Exchange. You need to hold your units on the issuer sponsored sub-register to make a withdrawal request directly to the Responsible Entity. Your stockbroker can assist you with this process if you hold your units on a HIN.

The method by which you enter the Trust does not affect the method by which you can exit the Trust. If you enter the Trust by buying units on the Securities Exchange, you can exit the Trust by selling units on the Securities Exchange or by withdrawing directly with the Responsible Entity. If you enter the Trust by applying for units directly with the Responsible Entity you can exit the Trust by selling units on the Securities Exchange or by withdrawing directly with the Responsible Entity.

The following table sets out the key differences between entering and exiting the Trust via the Securities Exchange or by applying for and withdrawing units directly from the Trust. This is a summary only. This PDS should be read in full before making any decision to invest in the Trust. For more information on buying and selling units on the Securities Exchange, see Section 4. For more information on applying to and withdrawing directly from the Trust, see Section 5.

	Buying units on the Securities Exchange	Applying for units directly with the Responsible Entity
How do I make an investment in the Trust?	Once the units are quoted on the Securities Exchange, you can invest in the Trust at any time by purchasing units via your stockbroker. You do not need to complete an Application Form. Your purchase of units will be settled via the CHES settlement service, generally two Business Days following your purchase.	You can invest in the Trust at any time by submitting a correctly completed Application Form together with the required supporting identification information to our Unit Registry. If we receive your correctly completed Application Form by 2.00pm (Sydney time) on a Business Day and your cleared funds by close of business on the same Business Day, you will receive the entry unit price applicable to that Business Day. We will generally issue units to you the following Business Day. If you do not meet the cut-off times, we will issue units to you using the entry unit price applicable to the Business Day on which we receive your completed documentation and cleared monies (subject to the applicable cut-off times for that Business Day).
What is my entry price when I make an investment in the Trust?	Your entry price will be the price at which you have purchased units on the Securities Exchange. You will receive a transaction confirmation from your stockbroker informing you of this price. You may incur customary brokerage fees and commissions when you buy units. Investors should consult their stockbroker for further information on their fees and charges.	Your entry price will be the entry unit price applicable to the Business Day on which we receive your completed documentation and cleared monies by the applicable cut-off times. The entry price reflects the NAV per Unit plus an allowance for transaction costs incurred by the Trust. The NAV per Unit estimates the value of the Trust's units based on the value of the Trust's assets at the close of trading in each market in which the Trust invests. On any given Business Day, the NAV per Unit will generally differ from the closing price on the Securities Exchange as the Trust invests in overseas markets and the close of trading in those markets on a given Business Day may not occur until the following day in Australia.
Is there a minimum number of units I need to purchase?	No. There is no minimum number of units applicable to investors who buy their units on the Securities Exchange.	The minimum initial investment amount for investors applying for units directly with the Responsible Entity is \$10,000. Additional investments can be made into an existing account at any time. A minimum amount may apply to additional investments depending on the method of your payment.

	Selling units on the Securities Exchange	Withdrawing units directly with the Responsible Entity
How do I withdraw my investment?	<p>You can withdraw from the Trust at any time by selling units on the Securities Exchange via your stockbroker.</p> <p>Your sale of units will be settled via the CHESS settlement service, generally two Business Days following your sale.</p>	<p>You can make a withdrawal of your investment in the Trust by submitting a withdrawal request to our Unit Registry. You can request a specified dollar amount to be withdrawn, a specified number of units to be withdrawn, or a full redemption of your investment in the Trust.</p> <p>To withdraw, you must hold your units on the Trust's issuer sponsored sub-register and provide your SRN. Your withdrawal request must be received by 2.00pm (Sydney time) on that Business Day.</p> <p>Payment of your withdrawal proceeds will usually be paid two Business Days following your withdrawal. You can usually expect to receive payment into your nominated bank account within seven Business Days.</p>
At what price can I sell my units in the Trust?	<p>Your exit price will be the price at which you sold your units on the Securities Exchange.</p> <p>You will receive a transaction confirmation from your stockbroker informing you of this price. You may incur customary brokerage fees and commissions when you sell units. Investors should consult their stockbroker for further information on their fees and charges.</p>	<p>Your exit price will be the exit unit price applicable to the Business Day on which we receive your withdrawal request by the applicable cut-off times for that Business Day.</p> <p>The exit price reflects the NAV per Unit less an allowance for transaction costs incurred by the Trust. The NAV per Unit estimates the value of the Trust's units based on the value of the Trust's assets at the close of trading in each market in which the Trust invests.</p> <p>On any given Business Day, the NAV per Unit will generally differ from the closing price on the Securities Exchange as the Trust invests in overseas markets and the close of trading in those markets on a given Business Day may not occur until the following day in Australia.</p> <p>If you do not meet the cut-off times you will receive the exit price for the following Business Day, subject to your withdrawal request meeting the applicable cut-off times for that Business Day.</p>
Is there a minimum number of units I need to withdraw?	<p>No. There is no minimum number of units applicable to either the sale of units on the Securities Exchange or withdrawal of units directly with the Responsible Entity.</p> <p>No minimum balance applies to investments in the Trust.</p>	

Restrictions on withdrawals

No withdrawals or switches or payment of withdrawal proceeds shall be permitted where the calculation of the NAV of the Trust or withdrawals are suspended. Withdrawals or switches may be suspended for up to 28 days including where:

- it is impracticable for us, or we are unable, to calculate the NAV of the Trust, for example, because of financial market disruptions or closures;
- the payment of withdrawal proceeds involves realising a significant portion of the Trust's assets which would, in our opinion, result in remaining investors bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage or diminution of the value of units held;
- we reasonably consider it would be in the interests of investors, or it is otherwise permitted by law; or
- where we receive withdrawal requests of an aggregate value that in our reasonable estimate exceeds 5% of the Trust's assets.

The withdrawal process, including the calculation of the NAV per Unit, applies only when the Trust is 'liquid' (within the meaning given to that term in the Corporations Act). Where the Trust ceases to be liquid, units may only be withdrawn pursuant to a withdrawal offer made to all investors in the Trust in accordance with the Constitution and the Corporations Act. We are not obliged to make such offers.

Where withdrawals or switches have been suspended, units in the Trust may continue trading on the Securities Exchange provided that the Trust continues to comply with the Securities Exchange Rules. If the Trust ceases to comply with the Securities Exchange Rules, the Securities Exchange Operator may suspend trading of units in the Trust on the Securities Exchange.

Compulsory redemptions

The Responsible Entity may redeem some or all of an investor's units without asking them in accordance with the Constitution or as permitted by law. As an example, this may occur where an investor breaches their obligations to the Responsible Entity (for example, where the Responsible Entity believes that the units are held in breach of prohibitions contained within the Constitution) or where the Responsible Entity believes that the units are held in circumstances which might result in a violation of an applicable law or regulation.

Transfer and conversion of units

Your stockbroker will initiate the conversion or transfer of units in the following scenarios:

- You hold units directly with the Trust (SRN holding on the issuer sponsored sub-register) and wish to convert or transfer your units to an account with a stockbroker (HIN holding on the CHESS sub-register). You will need to provide your stockbroker with your SRN. You can only convert or transfer whole units and any partial unit holding remaining after the conversion or transfer will be cancelled and become property of the Trust.
- You hold units in an account with your stockbroker (HIN holding on the CHESS sub-register) and wish to transfer your units to another HIN or to transfer or convert your units to an account directly with the Trust (SRN holding on the issuer sponsored sub-register).

Important: If you wish to convert your units to an account with a stockbroker (known as an issuer sponsored to CHESS conversion), please note that ASX CHESS requires your registration details (i.e. name and address) at the Unit Registry to precisely match the details established on the HIN with your stockbroker. For example, a conversion would be rejected by ASX CHESS if the registered name at the Unit Registry is XYZ PTY LTD and the registered name on the destination HIN is XYZ PTY LIMITED. If you wish to convert your holding to a HIN and the registration details do not precisely match, please complete a Name Correction Request form available on the Magellan website or on the Online Investor Portal, prior to requesting your stockbroker to initiate a conversion of your units to a HIN. Please note that any instructions on file with the Unit Registry (e.g. DRP election, bank account details, TFN/ABN) in relation to your investment in the Trust will not be replicated to your new holding upon conversion of your units.

The Unit Registry handles transfers of units for investors who hold units directly with the Trust (SRN holding on the issuer sponsored sub-register) and wish to transfer to another existing account or a new account directly with the Trust.

Distributions

The Responsible Entity intends to target a cash distribution yield of 3% per annum ("**Target Cash Distribution**"). The Target Cash Distribution will be paid semi-annually (for the periods ending 30 June and 31 December of each year), with the actual amount for each period determined by using the average of the month-end NAV per Unit over the two year rolling period ending on the last Business Day of the prior distribution period.

For the semi-annual period ending 31 December 2021, the Responsible Entity intends to pay a Target Cash Distribution of \$0.0238 per unit.

The Responsible Entity intends to announce the Target Cash Distribution per unit on the announcements platform of the Securities Exchange Operator at the beginning of each semi-annual distribution period. The Responsible Entity expects that the distribution policy will provide Unitholders with greater certainty on the amount of upcoming distributions.

The Trust may make distributions more or less frequently at the discretion of the Responsible Entity. The distribution may comprise an amount attributed to you from income (such as dividends received from shares and interest) less expenses incurred by the Trust (such as Management Costs) plus net capital gains made on the sale of shares or other investments held. In some circumstances, the Trust may distribute a payment out of the capital invested in addition to a distribution of net income or net capital gains, or where the Trust has not generated any net income or net capital gains during the income year.

To be eligible to receive a distribution in respect of a unit for a distribution period, you must:

- hold that unit on the last day of the distribution period; or
- have purchased (either on-market or off-market) that unit on or before the last day of the distribution period; or
- have applied directly with the Responsible Entity using an Application Form for that unit on or before the last day of the distribution period.

You will not be eligible to receive a distribution in respect of a distribution period on a unit you have sold or redeemed on or before the last day of the distribution period. The distribution is not calculated on a pro-rata basis according to the time that Trust Unitholders have held their Units.

Under the AMIT rules, investors will be assessed for tax on the income of the Trust attributed to them.

Where the income of the Trust exceeds the Target Cash Distribution, the Responsible Entity may, in a particular year, retain or accumulate in the Trust the amount of income of the Trust that exceeds the Target Cash Distributions, in which case the income of the Trust that is attributed to you (and must be included in your income tax return) will be more than the cash distribution paid. The tax cost base of your units will increase to the extent that the income of the Trust attributed to investors exceeds the cash distribution paid. For more details, see the Taxation overview in Section 11.

We will send you a tax statement after the end of each financial year detailing the amounts attributed to you to assist in the preparation of your tax return.

You can choose to have your distributions directly credited to your Australian or New Zealand bank account or, to the extent that the Responsible Entity offers a Distribution Reinvestment Plan ("**DRP**"), automatically reinvested as additional units in the Trust.

Details in relation to each distribution will be published on the announcements platform of the Securities Exchange Operator and the Trust's website at www.magellangroup.com.au. The distribution policy of the Trust is current as at the date of this PDS and may be subject to change from time to time.

Distribution Reinvestment Plan

The Responsible Entity has established a DRP in respect of distributions made by the Trust. In respect of each Target Cash Distribution, the Responsible Entity may elect to offer or not offer the DRP. Under the DRP, unitholders may elect to have all, or part of, their Target Cash Distribution reinvested as additional units in the Trust.

The DRP Rules provide detail on the methodology for determining the price at which units are issued to unitholders and will be made available on the Trust's website.

Elections to participate in the DRP in respect of the Target Cash Distribution must be made by the election date announced by the Responsible Entity in respect of each relevant Target Cash Distribution.

The Responsible Entity intends to offer unitholders who elect to participate in the DRP the ability to reinvest all or part of their Target Cash Distribution in additional units issued at a price equal to the NAV per Unit, as provided in the DRP Rules.

4. Buying and selling units on the Securities Exchange

Buying units on the Securities Exchange

Once the units are quoted on the Securities Exchange, investors can invest in the Trust by purchasing units via their stockbroker. Investors do not need to complete an Application Form and they will settle the purchase of their units in the same way they would settle purchases of listed securities via the CHESS settlement service.

There is no minimum number of units applicable to investors who buy units on the Securities Exchange. An investor's entry price into the Trust will be the price at which they have purchased units on the Securities Exchange.

Investors do not have cooling-off rights in respect of units in the Trust (regardless of whether they were purchased on the Securities Exchange or applied for directly with the Responsible Entity).

Selling your units on the Securities Exchange

Once units are quoted on the Securities Exchange, investors can sell their units in the Trust via their stockbroker. Investors who sell units on the Securities Exchange do not need to submit a withdrawal request to the Unit Registry and they will receive the proceeds from the sale of their units in the same way they would receive proceeds from the sale of listed securities via the CHESS settlement service.

There is no minimum number of units that investors can sell on the Securities Exchange. An investor's exit price will be the price at which they have sold units on the Securities Exchange. Investors can only sell whole units on the Securities Exchange.

Securities Exchange liquidity

Investors can buy units from and sell units on the Securities Exchange to other investors in the secondary market in the same way as for any other listed securities.

The Responsible Entity, on behalf of the Trust, may provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units. At the end of each 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 Securities Exchange. The Responsible Entity's appointed agent will act on behalf of the Responsible Entity to transact and facilitate settlement on its behalf.

The price at which the Responsible Entity may buy or sell units will reflect the Responsible Entity's view of NAV per Unit (as referenced by the iNAV), market conditions, an allowance to cover transaction costs and supply and demand for units during the Trading Day.

The Trust will bear the risk of any transactions undertaken by the Responsible Entity on the Trust's behalf on the Securities Exchange, which may result in either a cost or a benefit to the Trust. The risks of providing liquidity on the Securities Exchange are explained in Section 7.

5. Applying for and withdrawing units directly with the Responsible Entity

Applying directly to the Trust

You can make an investment in the Trust by submitting an Application Form together with the required supporting identification information to the Unit Registry. The entry price for an investor who applies directly to the Responsible Entity for units in the Trust will be the NAV per Unit plus an allowance for transaction costs incurred by the Trust. The minimum initial investment is \$10,000. Additional investments can be made into an existing account at any time. No minimum amount applies to additional investments made by BPAY®. The minimum amount for an additional investment made using electronic funds transfer ("EFT") or cheque is \$5,000.

We may accept initial and additional investment applications for smaller amounts at our discretion. The processing of applications for lower amounts may be delayed while approval is sought for the lower application amount. We may also reject applications at our discretion.

If you invest into the Trust indirectly through an Investor Directed Portfolio Service ("IDPS") or IDPS-like scheme (commonly referred to as a master trust or wrap account), the minimum investment amount will be determined by the operator of the master trust or wrap account and may be higher or lower than if you invest in the Trust directly.

How we process transactions

We will process your application and issue units to you when we have received:

- your completed Application Form or Additional Application Form, including required identification information; and
- your cleared application monies into the Trust's application bank account.

If we receive your correctly completed Application Form by 2.00pm (Sydney time) on a Business Day and your cleared funds by close of business on the same Business Day, you will receive the entry unit price applicable to that Business Day. We will generally issue units to you the following Business Day. Otherwise we will issue units to you using the entry unit price applicable to the Business Day on which we receive your completed documentation and cleared monies, subject to the applicable cut-off times.

If you invest by cheque, it may take up to three Business Days for your application monies to clear from the date we bank the cheque. If we receive your cheque before 2.00pm (Sydney time) on a Business Day we will action it on the day we receive it. If your cheque is received after 2.00pm (Sydney time) on a Business Day we will action it the following Business Day. We will not issue units until your application monies have cleared.

For applications made by BPAY®, we will not issue units until we receive the money from your nominated financial institution. This generally means there will be a delay between the day you initiate a BPAY® transaction and the day the units are issued. BPAY® and EFT details will be provided to you by the Unit Registry via email as part of the online application process.

If your cheque, BPAY® or EFT is dishonoured by your financial institution, we will not process your application. We will not re-present a dishonoured payment unless you first contact us to discuss your application. We may deduct any fees incurred as a result of the dishonoured payment from your application amount before we issue you with units.

* Registered to BPAY Pty Ltd ABN 69 079 137 518

Example – Application for units

Application amount	\$10,000	Amount you are investing in the Trust. ¹
Entry price applicable to your application	\$1.7571 ²	Entry price reflects the NAV per Unit and an allowance for the buy spread of 0.07% ² .
Units allocated to you based on the entry price	5,691.1957	

1. This worked example assumes that your completed application was received by the Unit Registry before 2pm (Sydney time) for a given Business Day and that the Responsible Entity received your application monies (\$10,000) into the Trust application account before close of business on that given Business Day.

2. NAV per Unit as at 30 June 2021 of \$1.7559, adjusted for transaction costs.

Completing the Application Form

The Application Form is available to complete online at www.magellangroup.com.au

When completing the Application Form online, you will be required to complete an identity verification process. We are required by law to collect identification information from you before we can issue units in the Trust to you.

If you prefer to complete a paper-based Application Form, please contact the Unit Registry. Although, please note that we require paper-based Application Forms to be signed and the original Form to be mailed to the Unit Registry, together with certified copies of the requested identification documentation. The Unit Registry's postal address appears on the front of this PDS and on the Application Form.

Additional investments

If you hold units directly with the Trust, you can follow these steps to add to your existing investment using BPAY® without the need to complete any forms. BPAY® provides you with the flexibility to make regular recurring additional investments at the frequency and amount of your choosing. There is no minimum investment amount for additional investments made using BPAY®.

- Using your bank account's BPAY® function, nominate Magellan High Conviction Trust as a Biller. The Biller Code will have been provided to you by the Unit Registry via email when you made your initial application. Please contact the Unit Registry if you require confirmation of the Biller Code.
- Enter your unique customer reference number ("CRN") that can be found in the online investor portal. Please note that this is different from your SRN. Please contact the Unit Registry if you require confirmation of your CRN. We will use the CRN to allocate the additional investment to your account.
- Enter the amount of your additional investment. Note that your financial institution will generally allow a recurring BPAY® payment to be set up if you would like to make regular additional investments.
- Save a copy of your BPAY® payment receipt as proof of payment. The Unit Registry will send you a transaction confirmation once units have been issued to you.

Please note that even though your BPAY® transaction is processed from your bank account immediately, your funds may take some time to be transferred to the Trust from your financial institution. Units will be issued only when we receive your funds and will be issued at the entry unit price applicable to the day payment is received.

For additional investments made by EFT or cheque, a minimum investment amount of \$5,000 applies.

If you purchased your units on the Securities Exchange and converted those units to be held directly with the Trust on a SRN, you will be required to supply certain identification information to the Unit Registry before you can make additional investments.

Payment of your application monies

We can accept payment of your application monies in Australian Dollars by cheque, BPAY® (additional applications only) or EFT.

Instructions for making additional investments using BPAY® are set out in the above section entitled "Additional investments".

If you wish to pay by cheque, please make your cheque payable to Magellan Asset Management Limited ARE Magellan High Conviction Trust, and mail the cheque to the Unit Registry with your Application Form (or application confirmation email if you notified the Unit Registry of your application via the online investor portal).

EFT payments can be made directly to the Trust's application bank account. The Trust's bank account details and your unique EFT reference code can be found in the online investor portal or on your application confirmation email.

Important: If you wish to pay by EFT, please ensure you quote your unique EFT reference code in the reference field of your EFT payment. Failure to do so may result in your application being delayed. Note that your EFT reference code is different to your SRN. Please contact the Unit Registry if you require confirmation of your EFT reference code.

Any interest earned on the Trust's bank account is retained by the Responsible Entity.

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Withdrawing directly from the Trust

If you hold your units on the Trust's issuer sponsored sub-register then, subject to the Constitution, the Corporations Act and the Securities Exchange Rules, you can apply directly to the Responsible Entity to withdraw some or all of your investment at any time. No minimums apply to withdrawal requests and there is no minimum account balance. To withdraw some or all of your investment, please submit a withdrawal request to the Unit Registry via the online investor portal. You can request a specified number of units to be withdrawn, or a full redemption of your investment in the Trust via the online investor portal. If you would like to withdraw a specified dollar amount, you will need to complete a paper-based Withdrawal Form available from the Unit Registry. The exit price for an investor who withdraws directly from the Trust will be the NAV per Unit less an allowance for transaction costs incurred by the Trust.

If you hold your units via a stockbroker (and your units are associated with a Holder Identification Number ("HIN")), then you hold your units on the CHESS sponsored sub-register. If you want to withdraw directly from the Trust, you will first need to submit a request to your stockbroker to have your units converted to an issuer-sponsored holding so that an SRN can be allocated to you by the Unit Registry. The process of converting your broker-sponsored holding to an issuer-sponsored holding is managed by your stockbroker and is subject to their standard processing times. Please contact your stockbroker for further information.

If you purchased your units on the Securities Exchange, you will be required to supply certain identification information as part of your withdrawal request. Under some circumstances, we may need to contact you to request further documentation to confirm the validity of your instruction. This may delay processing of the withdrawal request.

If we receive a valid withdrawal request before 2.00pm (Sydney time) on a Business Day on which your units are held on the Trust's issuer-sponsored sub-register, we will calculate the amount of your withdrawal using the exit price applicable to that Business Day. If we receive your withdrawal request after 2.00pm on a Business Day on which your units are held on the Trust's issuer-sponsored sub-register, we will use the following Business Day's exit price.

Under the Constitution, the Responsible Entity may set a minimum withdrawal amount and minimum account balance. If a minimum account balance applies and your withdrawal request results in your remaining investment in the Trust held on the issuer sponsored sub-register falling below the minimum account balance, we may require you to withdraw your entire balance held on the issuer-sponsored sub-register. As at the date of this PDS the Responsible Entity has determined that there is no minimum number of units applicable to either the sale of units on the Securities Exchange or withdrawal of units directly with the Responsible Entity. Additionally, no minimum balance applies to investments in the Trust.

Example – Withdrawal for units

Withdrawal request	\$10,000	Amount you are withdrawing from the Trust. ¹
Exit price applicable to your withdrawal	\$1.7547 ²	Exit price reflects the NAV per Unit and an allowance for the sell spread of 0.07% ² .
Units redeemed based on the exit price	5,698.9799	

1. This worked example assumes that your valid withdrawal request was received by the Unit Registry before 2pm (Sydney time) on a given Business Day.

2. NAV per Unit as at 30 June 2021 of \$1.7559, adjusted for transaction costs.

Payment of your redemption proceeds

You can usually expect to receive payment into your nominated bank account within seven Business Days after our receipt and acceptance of your withdrawal request. However, during July of each year, or at any other time when the Trust is processing a distribution, payment of your withdrawal may be delayed by up to 15 Business Days. There may be other circumstances, such as a freeze on withdrawals or where the Trust is not liquid (as defined under the Corporations Act), where your ability to withdraw from the Trust is restricted and you may have to wait a period of time before you can withdraw some or all of your investment.

We can only pay redemption proceeds to an Australian or New Zealand bank account held in the name of the investor. We are unable to pay redemption proceeds to a third party bank account. Normally we will pay redemption proceeds to the bank account you nominated on your Application Form when you opened your investment, or if you purchased your units on the Securities Exchange and submit a withdrawal request to the Responsible Entity, the bank account nominated on your withdrawal request, or if you have subsequently notified us of a change your nominated account, we will pay proceeds to that account. For redemption proceeds paid to New Zealand bank accounts, the conversion of your Australian dollar proceeds to New Zealand dollars will be processed by the Trust's bank at the exchange rate prevailing at the processing time.

We will send you a confirmation of your redemption once it has been processed and paid.

Switches

If you hold units directly with the Trust (SRN holding on the issuer sponsored sub-register) you are able to switch all or part of your investment to another fund managed by Magellan, provided that both funds have the same Unit Registry. A switch is a withdrawal from one Magellan fund and an application into another. If we receive your switch instruction before 2.00pm (Sydney time) on a Business Day, we will usually process the switch using the entry and exit prices applicable to that Business Day. If we receive your request after 2.00pm, we will usually process it using the following Business Day's unit prices. In circumstances where the calculation of unit prices is delayed for any reason, including while we are determining and processing distributions, we have the discretion to defer the processing of switches until unit pricing has resumed. We will accept switch requests via the online investor portal, fax, email or mail.

Under some circumstances, we may need to contact you to request further documentation to confirm the validity of your instruction. This may delay processing of the switch request. We are unable to process switches out of a Trust whilst restrictions on withdrawals apply. If you hold units in the Trust via a stockbroker, you will need to submit a request to your stockbroker to have your units converted to an issuer-sponsored holding before you can make a switch request.

Indirect Investors

We authorise the use of this PDS as disclosure to persons who wish to access the Trust indirectly through an IDPS or IDPS-like scheme (commonly referred to as a master trust or wrap account). These investors are referred to as "Indirect Investors".

Indirect Investors do not become registered investors in the Trust, nor do they acquire the rights of a registered investor. Instead, as the master trust or wrap account operator is investing on your behalf, it acquires the rights of investors. In most cases, references to 'you' or 'your' in the PDS (for example, receiving distribution income, reinvestment distribution income and redemptions) is a reference to the master trust or wrap account operator and accordingly their arrangements with you will set out your rights. We do not keep personal information about Indirect Investors.

Further, some provisions of the Trust's Constitution will not be relevant to you. For example, you will generally not be able to attend meetings, or withdraw investments directly. You will receive reports from the master trust or wrap account operator, not us. The master trust or wrap account operator can exercise (or decline to exercise) those rights in accordance with the arrangements governing the operation of the master trust or wrap account.

Enquiries about the Trust should be directed to your licensed financial adviser, master trust or wrap account operator.

Contact details:

Mail: Automic Group
GPO Box 2629
Sydney NSW 2001

Email: magellanfunds@automicgroup.com.au

Fax: +61 2 8072 1409

Phone: 1300 408 792 (or +61 2 8072 1481)

6. Benefits of investing in the Trust

Significant features

The Trust's primary investment objective is to achieve attractive risk-adjusted returns over the medium to long term.

The Trust offers investors an opportunity to invest in a high conviction global equity fund. The Investment Manager aims to invest in companies that have sustainable competitive advantages which translate into returns on capital in excess of their cost of capital for a sustained period of time. The Investment Manager endeavors to acquire these companies at discounts to their assessed intrinsic value.

The Trust will typically comprise 8 to 12 investments, weighted towards Magellan's highest conviction ideas, in companies listed on global securities exchanges and will also have some exposure to cash.

The Trust may, from time to time, hedge some or all of the capital component of the foreign currency exposure of the Trust arising from investments in overseas markets back to Australian Dollars.

Significant benefits

Investing in the Trust offers investors a range of benefits, including:

- access to the Investment Manager's investment expertise and a professionally managed global equity portfolio;
- exposure to a concentrated portfolio of high quality global companies weighted towards Magellan's highest conviction ideas;
- an attractive Target Cash Distribution yield of 3% per annum; and
- participation in any capital appreciation and income distributions of the Trust.

7. Risks of investing in the Trust

All investments carry risk. The likely investment return and the risk of losing money is different for each investment strategy as different strategies carry different levels of risk depending on the underlying mix of assets that make up each fund. Those assets with potentially the highest long-term return (such as equities) may also have the highest risk of losing money in the shorter term.

Risks can be managed but not completely eliminated. It is important that investors in the Trust understand that:

- the value of an investor's investment may rise and fall;
- investment returns will vary and future returns may differ from past returns;
- returns are not guaranteed and there is a risk that investors may lose money on any investment they make; and
- laws affecting an investor's investment in a managed investment scheme may change over time.

The appropriate level of risk for each investor will depend on various factors and may include their age, investment timeframe, where other parts of their wealth are invested and their overall tolerance to risk. Investors should consult their stockbroker or licensed financial adviser to better understand the risks involved in investing in the Trust.

The significant risks for the Trust are:

Company specific risk: Investments by the Trust in a company's securities will be subject to many of the risks to which that particular company is itself exposed. These risks may impact the value of the securities of that company. These risks include factors such as changes in management, actions of competitors and regulators, changes in technology and market trends.

Concentration risk: As the Trust will hold a concentrated portfolio of generally between 8 and 12 securities, returns of the Trust may be dependent upon the performance of a small number of individual companies. The concentrated exposure, including aggregation of exposures across companies and/or geographies, may lead to increased volatility in the Trust's NAV per Unit and increased risk of poor performance.

Conflicts of interest risk: Either we or our various service providers may from time to time act as issuer, investment manager, secondary market liquidity provider, custodian, unit registry, broker, administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Trust. It is possible that we, or our service providers may have potential conflicts of interest with the Trust. Such conflicts of interest include but are not limited to: management of multiple accounts with varying fee arrangements, trade allocation, proxy voting and staff personal trading. The Investment Manager may invest in, directly or indirectly, or manage or advise other funds which invest in assets which may also be purchased by the Trust. Neither the Investment Manager nor any of its affiliates nor any person connected with it are under any obligation to offer investment opportunities to the Trust.

The Responsible Entity, on behalf of the Trust, acts as a buyer and seller of units on the Securities Exchange. A conflict might arise between the Trust and investors buying or selling units from the Trust on the Securities Exchange due to the Trust's desire to benefit from such trading activities. A conflict might also arise due to the fact that the Responsible Entity could use such trading activities to influence the perception of the performance of the Trust or discourage selling of units as this could reduce the management fee payable to the Responsible Entity.

We maintain a Conflicts of Interest Policy to ensure that we manage our obligations to the Trust such that all conflicts (if any) are resolved fairly.

Counterparty risk: There is a risk that the Trust may incur a loss arising from the failure of another party to a contract (the counterparty) to meet its obligations. Counterparty risk arises primarily from investments in cash and derivatives transactions. Substantial losses can be incurred if a counterparty fails to deliver on its contractual obligations.

Currency risk: As the Trust's investments in international assets will typically be unhedged, a rise in the Australian dollar relative to other currencies will negatively impact investment values and returns. Currency markets can be extremely volatile and are subject to a range of unpredictable forces. From time to time, the Trust may manage its foreign currency exposures to reduce currency risk of the Trust. Where any part of the Trust's currency exposure is hedged, the Trust's investment returns will not benefit where the Australian dollar has declined relative to other currencies. There is also a risk that the Trust's currency management activities might not be effective and may lose the Trust money.

Derivatives risk: The value of a derivative is derived from the value of an underlying asset and can be highly volatile. Changes in the value of derivatives may occur due to a range of factors that include rises or falls in the value of the derivative in line with movements in the value of the underlying asset, potential liquidity of the derivative and counterparty credit risk.

Forward foreign exchange contracts may be utilised to hedge the Trust's foreign currency exposure. These contracts will generally be of limited duration and reset regularly, resulting in a cash receipt or cash payment by the Trust. The contracts are not guaranteed by an exchange or clearing corporation and generally do not require payment of margin. To the extent that the Trust has unrealised gains in

such instruments or has deposited collateral with its counterparty(ies) the Trust is at risk that its counterparty will become bankrupt or otherwise fail to honour its obligations.

Distribution policy risk: Under the distribution policy for the Trust, there may be circumstances where the distributions received by investors in cash may be insufficient to cover an investor's tax payable on the income of the Trust attributable to the investor.

Emerging market risk: The Trust invests in the securities of issuers domiciled in foreign jurisdictions, including some countries that may be classified as emerging market countries. As a result, the Trust may be subject to adverse governmental, economic, legal and securities market risks associated with individual foreign markets. Specific risks may include unexpected changes in government or regulatory policy which could reduce trading liquidity and/or increase price volatility of securities, fewer securities holder rights and less protection of property rights. Trading, settlement and custody practices may differ from developed markets and this may result in lower liquidity and counterparty credit risk.

Trust provision of liquidity on the Securities Exchange risk: The Responsible Entity, on behalf of the Trust, may provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units in the Trust. The Responsible Entity has appointed an agent to transact and facilitate the settlement of such transactions on the Trust's behalf. The Trust will bear the risk of these transactions. There is a risk that the Trust could suffer a material cost as a result of the Trust providing liquidity to investors on the

Securities Exchange which may adversely affect the NAV of the Trust. Such a cost could be caused by either an error in the execution and settlement of transactions or in the price at which units are transacted on the Securities Exchange. There is a risk that, if the agent appointed by the Responsible Entity does not fulfil its obligations in a correct and timely manner, the Trust could suffer a loss.

In order to manage these risks, the Responsible Entity has the right to cease transacting on the Securities Exchange, subject to its obligations under the Securities Exchange Rules, may change the prices at which it transacts on the Securities Exchange and may, where the Responsible Entity considers it appropriate to do so, hedge the Trust's trading activities.

Trust risk: Trust risk refers to specific risks associated with the Trust, such as termination and changes to fees and expenses. The performance of the Trust or the security of an investor's capital is not guaranteed. There is no guarantee that the investment strategy of the Trust will be managed successfully, or that the Trust will meet its investment objectives. Failure to do so could negatively impact the performance of the Trust. An investment in the Trust is governed by the terms of the Constitution and this PDS, each as amended from time to time. The Trust is also governed by the Securities Exchange Rules, and is exposed to risks of quotation on that platform, including such things as the platform or settlements process being delayed or failing. The Securities Exchange may suspend, or remove the units from quotation on the Securities Exchange. The Responsible Entity may elect, in accordance with the Constitution and the Corporations Act, to terminate the Trust for any reason.

iNAV risk: The iNAV published by the Trust is indicative only and might not be up to date or might not accurately reflect the underlying value of the Trust.

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

Market risk: There is a risk that the market price of the Trust's assets will fluctuate. This may be as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events, pandemic outbreaks, environmental and technological issues.

Operational risk: Operational risk includes those risks which arise from carrying on a funds management business. The operation of the Trust may require us, the Custodian, Unit Registry, administrator, the agent appointed by the Responsible Entity to provide liquidity to investors on the Securities Exchange, and other service providers to implement sophisticated systems and procedures.

Some of these systems and procedures are specific to the operation of the Trust. Inadequacies with these systems and procedures or the people operating them could lead to a problem with the Trust's operation and result in a decrease in the value of units.

Performance risk: There is a risk that the Trust may not achieve its investment objectives.

Personnel risk: The skill and performance of the Investment Manager can have a significant impact (both directly and indirectly) on the investment returns of the Trust. Changes in key personnel and resources of the Investment Manager may also have a material impact on investment returns of the Trust.

Pooled investment scheme risk: The market prices at which the Trust is able to invest inflows, or sell assets to fulfil outflows, may differ from the prices used to calculate the NAV per Unit (and the iNAV). Investors in the Trust may therefore be impacted by other investors entering and exiting the Trust. The impact will depend on the size of inflows or outflows relative to the Trust, and on the price volatility of the securities in which the Trust invests. Inflows and outflows may also affect the taxable income attributed to an investor during a financial year.

Price of units on the Securities Exchange: The price at which the units may trade on the Securities Exchange may differ materially from the NAV per Unit and the iNAV.

Regulatory risk: There is a risk that a change in laws and regulations governing a security, sector or financial market could have an adverse impact on the Trust or on the Trust's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.

Securities Exchange liquidity risk: The liquidity of trading in the units on the Securities Exchange may be limited. This may affect an investor's ability to buy or sell units on the Securities Exchange. Investors will not be able to buy or sell units on the Securities

Exchange during any period where the Securities Exchange is experiencing a trading outage or where the Securities Exchange Operator suspends trading of units in the Trust. Further, where trading in the units on the Securities Exchange has been suspended, the ability of investors to apply directly to the Responsible Entity to withdraw their investment in the Trust may be suspended and will be subject to the provisions of the Constitution and the Corporations Act.

The Trust may be removed from quotation by the Securities Exchange Operator or terminated: The Securities Exchange Rules impose certain requirements for the continued quotation of securities, such as the units, on the Securities Exchange. Investors cannot be assured that the Trust will continue to meet the requirements necessary to maintain quotation on the Securities Exchange. In addition, the Securities Exchange Operator may change the quotation requirements.

The Responsible Entity may elect, in accordance with the Constitution and Corporations Act, to terminate the Trust for any reason including if units cease to be quoted on the Securities Exchange. Information about the Securities Exchange Rules applicable to quotation of units in the Trust on the Securities Exchange is set out in Section 10 of this PDS.

8. The investment objective and strategy

An investment in the Trust may suit investors who are seeking a medium to long-term investment exposure to international equities. Before deciding whether to invest in the Trust, investors should consider:

- the likely investment return of the Trust;
- the risk involved in investing in the Trust; and
- their investment timeframe.

Investment objective	The investment objective of the Trust is to achieve attractive risk-adjusted returns over the medium to long-term.						
Minimum suggested time frame for holding investment	At least 7 to 10 years.						
Asset classes and asset allocation ranges	<div>The Trust's assets are typically invested within the following asset allocation ranges:</div> <table><tr><th>Asset Class</th><th>Investment Range</th></tr><tr><td>Global listed securities</td><td>50%-100%</td></tr><tr><td>Cash and cash equivalents</td><td>0% - 50%</td></tr></table>	Asset Class	Investment Range	Global listed securities	50%-100%	Cash and cash equivalents	0% - 50%
Asset Class	Investment Range						
Global listed securities	50%-100%						
Cash and cash equivalents	0% - 50%						
Investments held	<p>The Trust primarily invests in the securities of companies listed on stock exchanges around the world but will also have some exposure to cash and cash equivalents. The Trust can use foreign exchange contracts to facilitate settlement of stock purchases and to mitigate currency risk on specific investments within the portfolio.</p> <p>The Trust may, from time to time, hedge some or all of the capital component of the foreign currency exposure of the Trust arising from investments in overseas markets back to Australian Dollars. However, there is no guarantee that any or all of the Trust will be hedged at any point in time.</p>						
Risk level¹	Medium to high.						
Trust performance	For up-to-date information on the performance of the Trust, including daily NAV per Unit, iNAV and performance history, please visit www.magellangroup.com.au .						

¹ The risk level is not a complete assessment of all forms of investment risks. For instance, it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may expect to meet their objectives.

Derivatives and other investments

The Trust can use foreign exchange contracts to facilitate settlement of stock purchases and to mitigate currency risk on specific investments within the portfolio. It is our intention that the Trust's investments in international assets will typically be unhedged, however the Trust may, from time to time, hedge some or all of the capital component of the foreign currency exposure of the Trust arising from investments in overseas markets back to Australian Dollars.

The Trust may use other derivatives in limited circumstances.

The Trust does not intend to engage in short selling or enter securities lending arrangements.

Borrowing restrictions

The Trust may borrow against all or part of its investment portfolio, provided that, at the time any new borrowing is entered into, the aggregate of those new borrowings and any pre-existing borrowings does not exceed 5% of the Trust's gross asset value.

Changes to the Trust

The Responsible Entity has the right to close or terminate the Trust and change the Trust's investment return objective, asset classes and asset allocation ranges, currency strategy (if any) and distribution policy, without prior notice in some cases. The Responsible Entity will inform investors of any material changes to the Trust's details in its next regular communication or as otherwise required by law.

Labour standards and environmental, social or ethical considerations

The Responsible Entity believes that issues relating to labour standards and to environmental, social and ethical considerations have the potential to affect the business outcomes of the Trust's investment companies. Accordingly, the Responsible Entity reviews labour standards, environmental, social and ethical considerations as part of the risk assessment that is completed when it determines the investment grade status of a company.

9. Fees and other costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs 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 & Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Trust.

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.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Trust		
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
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
Management Costs[^] - the fees and costs for managing your investment		
Management fee	1.50% per annum*	The management fee is calculated daily based on the value of the Trust on that Business Day. An estimate is accrued daily in the NAV per Unit and the fee is payable monthly in arrears from the assets of the Trust.
Estimated performance fee**	0.93% per annum*	Performance fees are 10%* of the Excess Return of the Trust above the Absolute Return Performance Hurdle (10% per annum pro-rated for the number of days in the Calculation Period) over each 6 monthly period ending 30 June and 31 December (each a "Calculation Period"). Performance fees are estimated daily and accrued in the NAV per Unit. Calculation of the fee is finalised and paid at the end of a Calculation Period (30 June and 31 December of each year) from the assets of the Trust.
Estimated total management costs	2.43% per annum*	
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

[^] These fees may be individually negotiated if you are a wholesale client (as defined in the Corporations Act).

* Inclusive of the estimated net effect of Goods and Services Tax ("GST") (i.e. inclusive of GST, less any reduced input tax credits). As the Trust predominantly invests in international securities, the GST impact on the management costs is currently estimated to be negligible. To the extent the GST impact increases (for example, if the Trust's exposure to Australian securities increases), the actual management costs may exceed the rates stated above. For more information about GST, see 'Management fees' under the heading 'Additional Explanation of Fees and Costs'.

** The estimated performance fee represents Magellan's reasonable estimate of the prospective performance fee payable by the Trust. It has been calculated as a simple average of the actual performance fees of the Trust since inception (up to and including 30 June 2021). The estimated performance fee is inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any reduced input tax credits). Past performance is not necessarily indicative of future performance. The actual performance fee payable (if any) will depend on the performance of the Trust over the relevant period. For more information about performance fees, see 'Performance fees' under the heading 'Additional Explanation of Fees and Costs'.

Warning: Your licensed financial adviser may also charge you fees for the services they provide. These should be set out in the Statement of Advice given to you by your adviser.

Example of annual fees and costs

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

Example ¹ - Magellan High Conviction Trust	Balance of \$50,000 with a contribution of \$5,000 during year ²	
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	2.53% ³ p.a.	And , for every \$50,000 you have in the Trust you will be charged \$1,265 each year.
EQUALS Cost of the Trust	2.53% p.a.	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: \$1,265⁴ . What it costs you will depend on the fund you choose and the fees you negotiate.

1 This is an example only and does not take into account any movements in the value of an investor's units that may occur over the course of the year or any abnormal costs.

2 This example assumes the \$5,000 contribution occurs at the end of the first year. Management costs are calculated using the \$50,000 balance only.

3 This management cost amount consists of the management fee (1.50%) and the actual performance fee (1.03%) that was incurred by the Trust for the year ending 30 June 2021. This management cost amount is inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any reduced input tax credits). Please see the 'Additional Explanation of Fees and Costs' section below for more details.

4 Please note that this example does not capture all the fees and costs that may apply to you, such as transactional and operational costs.

Additional Explanation of Fees and Costs

Management fees

The Trust pays a management fee of 1.50% per annum of the Trust's Net Asset Value ("NAV") (before fees) to the Responsible Entity for managing the assets of the Trust and overseeing the operations of the Trust.

The management fees help to cover all ordinary fees, costs, charges, expenses and outgoings that are incurred in connection with the Trust (such as administration and accounting costs, registry fees, audit and tax fees, and investor reporting expenses).

Management fees are calculated each Business Day based on the NAV (before fees) of the Trust at the end of each Business Day and are payable at the end of each month. Estimated management costs are reflected in the NAV per Unit of the Trust.

Under the Trust's Constitution, the Responsible Entity is entitled to receive maximum management fees of 1.50% per annum (before fees) excluding GST. The management fees stated in this PDS are inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any reduced input tax credits). As the Trust predominantly invests in international securities, the GST impact on the management fees is currently estimated to be negligible. To the extent the GST impact increases (for example, if the Trust's exposure to Australian securities increases), the actual management fees may vary from the rates stated above.

In addition to the management fee, where the Trust incurs extraordinary expenses and outgoings, the Responsible Entity may pay for these from the Trust's assets. We may pay extraordinary expenses and outgoings from the Trust's assets because, under the Constitution of the Trust, in addition to the management fee, the Responsible Entity is entitled to be indemnified from the assets of the Trust for any liability properly incurred by us in performing properly any of our duties or exercising any of our powers in relation to the Trust or attempting to do so.

Performance fee

Depending on how well the Trust performs, Magellan may be entitled to a performance fee, payable by the Trust. Performance fees are calculated with reference to the Absolute Return Performance Hurdle and are subject to a High Water Mark requirement. The details of the calculation methodology and the hurdles are set out below.

The NAV per Unit includes an accrual for an estimate of the performance fee equal to the amount that would be payable if it were the end of a Calculation Period.

Calculation Methodology

The Trust's "total return" per Unit ("Total Return") is the dollar movement in its NAV per Unit during the Calculation Period (adjusted for any income or capital distributions and before any accrued performance fees during that Calculation Period). Adjustments will be made for any capital re-organisations such as Unit divisions or consolidations. Calculation Periods are 6 months in duration, ending on 30 June and 31 December of each year.

The Trust's "excess return" per Unit ("Excess Return") is its Total Return less the Absolute Return Performance Hurdle, expressed in dollar terms.

The performance fee per Unit is 10% of the Excess Return (exclusive of GST). The total performance fee is the performance fee per Unit multiplied by the number of Units on issue at the end of the Calculation Period, less the Equalisation Reserve described below.

Magellan will only be entitled to a performance fee where the NAV per Unit at the end of the Calculation Period exceeds the applicable high water mark. The high water mark is the NAV per Unit at the end of the most recent Calculation Period for which Magellan was entitled to a performance fee, less any intervening income or capital distribution. Furthermore, the fee to which Magellan is entitled will be subject to a performance fee cap such that the NAV per Unit (after the performance fee has been paid) is not less than the applicable high water mark.

The performance fee described above is inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any reduced input tax credits). As the Trust predominantly invests in international securities, the GST impact on the performance fees for the Trust is currently estimated to be negligible. To the extent the GST impact changes (for example, if the Trust's exposure to Australian securities increases), the actual performance fees may vary from the rate stated above.

Equalisation Reserve and Units issued during a Calculation Period

Performance fees are paid on the Excess Return of each Unit on issue at the end of a Calculation Period, less a fund level equalisation reserve ("Equalisation Reserve"). The effect of the Equalisation Reserve is that Magellan will only receive a performance fee in respect of a specific Unit on performance generated after that Unit is created. On each Business Day where there is a creation of Units, the Equalisation Reserve is increased by an amount that represents the performance fee per Unit calculated immediately prior to the creation of those Units multiplied by the number of units created ("Equalisation Adjustment"). If the accrued performance fee per Unit on a particular day is nil, there will be no Equalisation Adjustment made to the Equalisation Reserve. The Equalisation Reserve accumulates over a Calculation Period.

The Equalisation Reserve is subject to a ceiling such that the total Equalisation Reserve is the lesser of:

- a) the total of the Equalisation Adjustments calculated on each day of the Calculation Period; and
- b) the total of the Units created during the Calculation Period multiplied by the prevailing performance fee per Unit.

The ceiling on the Equalisation Reserve ensures that Magellan's performance fee entitlement is not less than it would have been had no Units been created during the Calculation Period.

The exact impact of the performance fee on a particular investor will depend on the price at which the investor has acquired the Units, the total number of Units created during a Calculation Period, the Excess Return achieved from the start of the Calculation Period to the date where new Units are created and the subsequent movement in the NAV per Unit to the end of the Calculation Period.

Calculation Period

Units that are either purchased by the Trust on the Securities Exchange or redeemed directly via an off-market withdrawal request will be cancelled. Performance fees (if any) will become payable to Magellan in respect of cancelled Units.

Absolute Return Performance Hurdle

The applicable Absolute Return Performance Hurdle for the Trust is 10% per annum, pro-rated for the number of days in the Calculation Period.

Total transactional and operational costs

Transactional and operational costs such as brokerage and transactional taxes are incurred by the Trust when the Trust acquires and disposes of securities. An estimate of the transactional and operational costs for the Trust is provided in the table below. These estimated costs are based on the actual transactional and operational costs incurred by the Trust for the year ended 30 June 2021.

Total transactional and operational costs (% p.a.)	Recovery through buy/sell spread ¹ (% p.a.)	Net transactional and operational costs (% p.a.)	For every \$50,000 you have in the Trust you will likely incur approximately:
0.02%	0.00%	0.02%	\$10

1 Recovery through the buy/sell spread only includes amounts recovered from investors applying and withdrawing directly from the Trust. It does not include any amount the Responsible Entity intends to recover from the prices at which it buys and sells units on the Securities Exchange. For more information, see "Buy and sell spreads".

The amount of such costs will vary from year to year depending on the volume and value of the trading activity in the Trust, and the value of applications and withdrawals processed.

Transactional and operational costs are paid out of the assets of the Trust and are not paid to the Responsible Entity.

Buy and sell spreads

A portion of the total transactional and operational costs are recovered from investors applying to and withdrawing directly from the Trust. New investments into the Trust or withdrawals from the Trust will typically cause the Trust to incur transaction costs. So that existing investors do not bear the transaction costs that arise from these investments and withdrawals from the Trust, the Responsible Entity intends to include an allowance to cover these costs in the prices at which it issues and redeems units to investors who transact directly with the Responsible Entity. This allowance to cover transaction costs (sometimes called the 'buy spread' and the 'sell spread') represents an additional cost to investors applying and withdrawing directly from the Trust, but are not fees paid to the Responsible Entity.

For an investor applying for units directly with the Responsible Entity, the current buy spread is 0.07% of the NAV per Unit, represented by the difference between the entry price and the NAV per Unit. For an investor applying directly to the Responsible Entity to withdraw their investment in Trust, the current sell spread is 0.07% of the amount that you withdraw, represented as the difference between the exit price and the NAV per Unit. For example, if you invested \$50,000 in the Trust the cost of the buy spread would be \$35, or if you withdrew \$50,000 from your investment the cost of the sell spread would be \$35. We may vary the buy and sell spreads from time to time and prior notice will not ordinarily be provided. Updated information on the buy and sell spreads will be posted on the Trust's website at www.magellangroup.com.au.

For an investor that buys or sells units on the Securities Exchange, the price at which they transact may vary from the prevailing iNAV. The prices on the Securities Exchange 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 Trust. The difference, or spread, from the prevailing iNAV may represent a cost, or possible benefit, of an investment in the Trust. Where the Responsible Entity buys or sells units on the Securities Exchange, the price at which it buys or sells units will generally include an allowance to cover transaction costs but will also reflect market conditions and supply and demand for units during the Trading Day. As such, the cost of the spread on the Securities Exchange may be different to the cost of the 'buy spread' or 'sell spread' for investors who apply or withdraw directly with the Responsible Entity. Where the Responsible Entity buys or sells units the Trust retains the benefit of this spread.

Stockbroker fees for investors

Investors will incur customary brokerage fees and commissions when buying and selling the units on the Securities Exchange. Investors should consult their stockbroker for more information in relation to their fees and charges.

Fees for Indirect Investors

For investors accessing the Trust through a master trust or wrap account, additional fees and costs may apply. These fees and costs are stated in the offer document provided by your master trust or wrap account operator. These are not fees paid to the Responsible Entity.

Payments to platforms

Some master trusts, wrap accounts or other investment administration services (“**Platforms**”) charge product access payments fees (as a flat dollar amount each year) for having the Trust included on their investment menus. We may, therefore, pay amounts from the fees we receive to any Platform through which the Trust is made available. As these amounts are paid by us out of our own resources, they are not an additional cost to you.

Financial adviser fees

Your licensed financial adviser may also charge you fees for the services they provide. These should be set out in the Statement of Advice given to you by your financial adviser. The Responsible Entity pays no commissions related to your investments to financial advisers.

Differential fees

A rebate of part of the management costs or lower management costs may be negotiated with investors who are wholesale clients for the purposes of the Corporations Act. Further information can be obtained by contacting us.

Changes in fees

Fees may increase or decrease for a number of reasons including changes in the competitive, industry and regulatory environments or simply from changes in costs. The Responsible Entity can change fees without an investor’s consent but will provide investors with at least 30 days written notice of any fee increase.

10. About the Securities Exchange Rules and CHES

Securities Exchange Rules

An application has been made to the Securities Exchange Operator for the units in the Trust to be admitted to quotation on the Securities Exchange under the Securities Exchange Rules. The Securities Exchange Rules are accessible at www.asx.com.au.

As at the date of this PDS, the units are not yet quoted on the Securities Exchange.

The following table sets out the key differences between the Securities Exchange Rules and the Listing Rules.

Requirement	Listing Rules	Securities Exchange Rules
Continuous disclosure	Issuers are subject to continuous disclosure requirements under Listing Rule 3.1 and section 674 of the Corporations Act.	<p>Issuers of products quoted under the Securities Exchange Rules are not subject to the continuous disclosure requirements in Listing Rule 3.1 and section 674 of the Corporations Act. The Responsible Entity will comply with the continuous disclosure requirements in section 675 of the Corporations Act as if the Trust were an unlisted disclosing entity.</p> <p>This means that the Responsible Entity will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the units, provided that such information has not already been included in this PDS (as supplemented or amended).</p> <p>The Responsible Entity will publish such information on the announcements platform of Securities Exchange Operator and the Trust's website www.magellangroup.com.au at the same time as it is disclosed to ASIC.</p> <p>Under Securities Exchange Rules the Responsible Entity must disclose:</p> <ul style="list-style-type: none"> • information about the NAV of the Trust's underlying investments daily; • information about redemptions from the Trust and the number of units on issue; • information about distributions paid in relation to the Trust; • any other information which is required to be disclosed to ASIC under section 675 of the Corporations Act; and • any other information that would be required to be disclosed to the Securities Exchange Operator under section 323DA of the Corporations Act if the units were admitted under the Listing Rules. <p>In addition, the Responsible Entity must immediately notify the Securities Exchange Operator of any information the non-disclosure of which may lead to a false market in the units or which would otherwise affect the price of the units.</p>
Periodic disclosure	Issuers are required to disclose half-yearly and annual financial information and reports to the announcements platform of the relevant securities exchange operator.	<p>Issuers of products quoted under the Securities Exchange Rules are not required to disclose half-yearly or annual financial information or reports to the announcements platform of the Securities Exchange Operator.</p> <p>The Responsible Entity will disclose financial information and reports in respect of the Trust to the announcements platform of the Securities Exchange Operator and will also lodge such financial information and reports with ASIC under Chapter 2M of the Corporations Act.</p>
Corporate governance	Listed companies and listed managed investment schemes are subject to notification requirements under the Corporations Act and the Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	<p>Although the units are quoted under the Securities Exchange Rules, neither the Trust nor the Responsible Entity itself is listed and they are therefore not subject to certain corporate governance requirements.</p> <p>The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act and section 601FM of the Corporations Act including that the Responsible Entity may be removed by an extraordinary resolution of members on which the Responsible Entity would not be entitled to vote.</p>
Related party transactions	Chapter 10 of the Listing Rules relates to transactions between an entity and a person in a position to influence the entity and sets out controls over related party transactions.	<p>Chapter 10 of the Listing Rules does not apply to products quoted under the Securities Exchange Rules.</p> <p>The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.</p>
Auditor rotation obligations	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of listed companies and listed managed investment schemes.	<p>Issuers of products quoted under the Securities Exchange Rules are not subject to the auditor rotation requirements in Division 5 of Part 2M.4 of the Corporations Act.</p> <p>An auditor will be appointed by the Responsible Entity to audit the financial statements and Compliance Plan of the Trust.</p>

About CHESS

The Responsible Entity participates in the Clearing House Electronic Sub-register System (“CHESS”). CHESS is a fast and economical clearing and settlement facility which also provides an electronic sub-register service. The Unit Registry has established and will maintain an electronic sub-register with CHESS on behalf of the Responsible Entity.

The Responsible Entity will not issue investors with certificates in respect of units held on the CHESS sub-register. Instead, when investors purchase units on the Securities Exchange they will receive a holding statement which will set out the number of units they hold. The holding statement will specify the HIN allocated by CHESS or SRN allocated by the Unit Registry.

Subject to the Securities Exchange Rules, Clearing Rules and Settlement Rules, the Responsible Entity may decline to register a purchaser of a unit or units transacted on the Securities Exchange.

11. Taxation

Investing in the Trust is likely to have tax consequences. Before investing in the Trust, investors are strongly recommended to seek their own professional tax advice about the applicable Australian tax consequences and, if appropriate, foreign tax consequences that may apply to them based on their particular circumstances.

The taxation information contained in this PDS reflects the income tax legislation in force, and the interpretation of the Australian Taxation Office and the courts, as at the date of issue of this PDS. Taxation laws are subject to continual change and there are reviews in progress that may impact the taxation of trusts and investors.

AMIT Regime

The Trust has elected to become an Attribution Managed Investment Trust (“AMIT”). Accordingly, investors will be subject to tax on the income of the Trust that is attributed to them under the AMIT rules each year ending 30 June. If there is income of the Trust that is not attributed to an investor, the Trust will be subject to tax at the highest marginal rate (plus the Medicare levy) on that non-attributed income. The AMIT rules also allow the Trust to reinvest part or all of your distribution and/or accumulate part or all of the Trust’s income in the Trust, in which case the income of the Trust that is attributed to you (and which must be included in your income tax return) will be more than the total distribution you receive.

Investors will be assessed for tax on the net income and net capital gains generated by the Trust that is attributed to them under the AMIT rules. Investors will receive a tax statement after the end of each financial year (referred to as an AMIT Member Annual Statement) that will provide them with details of the amounts that have been attributed to them by the Trust to assist them in the preparation of their tax return.

If the Trust was to incur a tax loss for a year then the Trust could not attribute that loss to investors. However, subject to the Trust meeting certain conditions, the Trust may be able to recoup such a loss against taxable income of the Trust in subsequent income years.

Depending on an investor’s particular circumstances, they may also be liable to pay capital gains tax (or income tax if they hold their units on revenue account) when they withdraw units.

Taxation of non-resident investors

If a non-resident investor is entitled to taxable income of the Trust, the investor may be subject to Australian tax at the rates applicable to non-residents. If you are a non-resident, you may be entitled to a credit for Australian income tax paid by the Responsible Entity in respect of your tax liability.

Taxation reforms

Reforms to the taxation of trusts are generally ongoing. Investors should seek their own advice and monitor the progress of announcements and proposed legislative changes on the potential impact to their investment.

Quoting your Tax File Number (“TFN”) or an Australian Business Number (“ABN”)

It is not compulsory for investors to quote their TFN, ABN, or exemption details. However, should an investor choose not to, the Responsible Entity is required to deduct tax from an investor’s distributions. Collection of TFNs is permitted by taxation and privacy legislation.

GST

Your investment in the Trust will not be subject to goods and services tax.

Foreign Account Tax Compliance Act

Under the Foreign Account Tax Compliance Act (“FATCA”), the Responsible Entity is required to collect and report information about certain investors identified as U.S. tax residents or citizens. In order to comply with its FACTA obligations, the Responsible Entity may request investors to provide certain information (“FATCA Information”).

To the extent that all FATCA Information is obtained, the imposition of US withholding tax on payments of US income or gross proceeds from the sale of particular US securities shall not apply. Although the Responsible Entity attempts to take all reasonable steps to comply with its FATCA obligations and to avoid the imposition of the withholding tax, this outcome is not guaranteed.

Under the terms of the intergovernmental agreement between the US and Australian governments, the Responsible Entity may provide FATCA Information to the Australian Taxation Office (“ATO”). Please be aware that the Responsible Entity may use an investor’s personal information to comply with FATCA and may contact an investor if additional information is required.

Common Reporting Standard

The Common Reporting Standard (“CRS”) requires the Responsible Entity to collect certain information about an investor’s tax residence. If an investor is a tax resident of any country outside Australia, the Responsible Entity may be required to pass certain information about the investor (including account-related information) to the ATO. The ATO may then exchange this information with the tax authorities of another jurisdiction or jurisdictions, pursuant to intergovernmental agreements to exchange financial account information.

Although the CRS does not involve any withholding tax obligations, please be aware that the Responsible Entity may use an investor’s personal information to comply with the CRS obligations, and may contact an investor if additional information is required. For investors who apply for units directly with the Responsible Entity, the account opening process cannot be completed until all requested information has been provided.

12. Additional information

Additional disclosure information

The Trust is subject to regular reporting and continuous disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. Investors can also call the Responsible Entity to obtain copies of the following documents, free of charge:

- The Trust's annual financial report most recently lodged with ASIC;
- Any half year financial report lodged with ASIC; and
- Any continuous disclosure notices the Responsible Entity places online at www.magellangroup.com.au or lodged with the Securities Exchange Operator and ASIC.

Trust's Constitution

The operation of the Trust is governed under the law and the Constitution of the Trust which addresses matters such as NAV per Unit, withdrawals, the issue and transfer of units, investor meetings, investors' rights, the Responsible Entity's powers to invest, borrow and generally manage the Trust and the Responsible Entity's fee entitlement and right to be indemnified from the Trust's assets.

In accordance with the Constitution, the Responsible Entity may provide investors with the ability to request a withdrawal of their investment in the Trust directly with the Responsible Entity.

The Constitution states that an investor's liability is limited to the amount the investor paid for their units, but the courts are yet to determine the effectiveness of provisions of this kind.

The Responsible Entity may alter the Constitution if it reasonably considers the amendments will not adversely affect investors' rights. Otherwise, the Responsible Entity must obtain investors' approval at a meeting of investors. The Responsible Entity may retire or be required to retire as Responsible Entity (if investors vote for its removal). No units may be issued after the 80th anniversary of the date of the Constitution. The Responsible Entity may exercise its right to terminate the Trust earlier. Investors' rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

Investors can inspect a copy of the Constitution at the Responsible Entity's head office or the Responsible Entity will provide a copy free of charge.

Active ETF Transition

As at the date of this PDS, the Trust is admitted to the official list of ASX under the Listing Rules (ticker: MHH). Units in the Trust are 'closed-ended', meaning that the Responsible Entity only issues or buys back units in accordance with the Listing Rules.

On 1 July 2021 the Responsible Entity announced a proposal to seek the Trust's removal from the official list of ASX and to amend the Constitution of the Trust so that units in the Trust are 'open-ended' and able to be quoted on the Securities Exchange under the Securities Exchange Rules (the "Active ETF Transition"). This means the Responsible Entity would have the power to issue or redeem units in the Trust on a daily basis.

There are two key components to the Active ETF Transition:

- the approval by ASX of the Responsible Entity's request to be removed from the official list of ASX;
- the approval by the Trust's unitholders of certain resolutions to facilitate the Active ETF Transition.

The Active ETF Transition is subject to approval by the Trust's unitholders, regulatory approvals and quotation of the Trust's units on the Securities Exchange.

There will be no issue of units in the Trust under this PDS until after the Active ETF Transition has been implemented.

ASIC relief

ASIC Class Order 13/721 exempts the Responsible Entity from the ongoing disclosure requirements in section 1017B of the Corporations Act on the condition that the Responsible Entity complies with section 675 of the Corporations Act as if the Trust was an unlisted disclosing entity and includes statements in any PDS for interests in the Trust to the effect that Magellan will comply with the continuous disclosure requirements of the Corporations Act as if the Trust was an unlisted disclosing entity.

Conditions of admission

As part of the Trust's conditions of admission to quotation on the Securities Exchange under the Securities Exchange Rules, the Responsible Entity has agreed to:

- a) disclose the Trust's portfolio holdings on a quarterly basis within two months of the end of each calendar quarter;
- b) provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of units as described in this PDS; and
- c) provide the iNAV as described in this PDS.

NAV Permitted Discretions Policy

The Responsible Entity's NAV Permitted Discretions Policy provides further information about how it calculates NAV per Unit. The policy complies with ASIC requirements. The Responsible Entity will observe this policy in relation to the calculation of the NAV per Unit and will record any exercise of discretion outside the scope of the policy. Investors can request a copy of the policy free of charge by calling the Responsible Entity on +61 2 9235 4888.

Online investor portal

The Unit Registry operates a secure online investor portal that is available to you as an investor. You can view or change your details with the Unit Registry or transact via the online investor portal. You can access the investor portal via the Magellan website, by clicking 'Investor Login' and selecting the appropriate login for the Trust you are invested in.

Change of details

From time to time, you may need to advise us of changes relating to your investment. You may advise us via the Online Investor Portal of changes relating to:

- your mailing address (investors with SRN holdings only, investors with HIN holdings can only change their address via their stockbroker);
- Tax File Number (TFN) / Australian Business Number (ABN);
- your bank account details;
- contact details and communication preferences;
- your licensed financial adviser, if you have nominated one; or
- your election to receive distributions as cash or to reinvest them.

If you would like to instruct changes via paper-based form, please contact the Unit Registry.

Cooling-off period

Cooling-off rights do not apply to units in the Trust (regardless of whether they were bought on the Securities Exchange or applied for directly with the Responsible Entity) however a complaints handling process has been established (see “Complaints resolution” for further information).

Complaints resolution

Should investors have any concerns or complaints, as a first step please contact the Responsible Entity’s Complaints Officer on +61 2 9235 4888 and the Responsible Entity will do its best to resolve this concern quickly and fairly. If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (“AFCA”). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678

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

Past performance

Performance history and Trust size information can be obtained by visiting the Trust’s website www.magellangroup.com.au, or view the Trust updates and other announcements on the Securities Exchange at www.asx.com.au. The Trust’s past performance is no indication of its future performance. The Trust’s returns are not guaranteed.

Custodian

The Northern Trust Company (acting through its Australian branch) (“**Northern Trust**”) has been appointed to hold the assets of the Trust under a Custody Agreement. As Custodian, Northern Trust will safe-keep the assets of the Trust, collect the income of the Trust’s assets and act on the Responsible Entity’s directions to settle the Trust’s trades. Northern Trust does not make investment decisions in respect of the Trust’s assets that it holds.

Unit Registry

Automic Group (“**Automic**”) has been appointed as the Unit Registry of the Trust under a Registry Services Agreement. The Registry Services Agreement sets out the services provided by the Unit Registry on an ongoing basis together with the service standards.

The role of the Unit Registry is to keep a record of investors in the Trust. This includes information such as the quantity of units held, TFNs (if provided), bank account details and details of distribution reinvestment plan participation to the extent the Responsible Entity offers such a plan.

Contact details for Automic can be found in Section 14 of this PDS.

Consents

The following parties have given written consent (which has not been withdrawn at the date of this PDS) to being named in the form and context in which they are named, in this PDS:

- Automic Group; and
- The Northern Trust Company.

Each party named above who has consented to be named in the PDS:

- has not authorised or caused the issue of this PDS;
- does not make or purport to make any statement in the PDS (or any statement on which a statement in the PDS is based) other than as specified; and

to the maximum extent permitted by law, takes no responsibility for any part of the PDS other than the reference to their name in a statement included in the PDS with their consent as specified.

Anti-money laundering and counter terrorism financing (AML/CTF)

Australia’s AML/CTF laws require us to adopt and maintain an AML/CTF Program. A fundamental part of the AML/CTF Program is that we know certain information about investors in the Trust. To meet this legal requirement, we need to collect certain identification information and documentation (“**KYC Documents**”) from you if you are a new investor. We may also ask an existing investor to provide KYC Documents as part of a re-identification process to comply with the AML/CTF laws. Processing of applications or redemptions will be delayed or refused if you do not provide the KYC Documents when requested.

Under the AML/CTF laws, we may be required to submit reports to the Australian Transaction Reports and Analysis Centre (“**AUSTRAC**”). This may include the disclosure of your personal information. We may not be able to tell you when this occurs and, as a result, AUSTRAC may require us to deny you (on a temporary or permanent basis) access to your investment.

This could result in loss of the capital invested, or you may experience significant delays when you wish to transact on your investment. We are not liable for any loss you may suffer because of compliance with the AML/CTF laws.

Privacy policy

As required by law, the Responsible Entity has adopted a privacy policy that governs the collection, storage, use and disclosure of personal information. This includes using an investor's personal information to manage their investment, process any distributions that may be payable and comply with relevant laws.

For example, an investor's personal information may be used to:

- ensure compliance with all applicable regulatory or legal requirements. This includes the requirements of ASIC, the Australian Taxation Office, the Australian Transaction Reports and Analysis Centre, Securities Exchange Operator, CHESS Settlements and other regulatory bodies or relevant exchanges including the requirements of the superannuation law; and
- ensure compliance with the AML/CTF Act, FATCA and with CRS.

The Responsible Entity may be required to disclose some or all of an investor's personal information, for certain purposes (as described under the Privacy Act 1988 (Cth)) to:

- the Trust's service providers, related bodies corporate or other third parties for the purpose of account maintenance and administration and the production and mailing of statements, such as the Unit Registry, Custodian or auditor of the Trust and certain software providers related to the operational management and settlement of the units; or
- related bodies corporate that might not be governed by Australian laws for the purpose of account maintenance and administration.

The Responsible Entity may also disclose an investor's personal information to:

- market products and services to them; and
- improve customer service by providing their personal details to other external service providers (including companies conducting market research).

If any of the disclosures in the previous bullet points require transfer of an investor's personal information outside of Australia, the investor consents to such transfer.

All personal information collected by the Responsible Entity will be collected, used, disclosed and stored by the Responsible Entity in accordance with its privacy policy, a copy of which will be made available on request.

Additional information for New Zealand investors

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 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 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 2001 (Aust) and the regulations made under that Act sets 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 in relation to 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.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

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

13. Glossary

Defined terms and other terms used in the PDS	Definition
\$, A\$ or dollar	The lawful currency of Australia.
Active ETF Transition	The proposal for the transition of the Trust's units from admission on the official list of ASX to admission of the Trust's units to quotation on the Securities Exchange under the Securities Exchange Rules, as outlined in Section 12 of this PDS.
AFCA	Australian Financial Complaints Authority.
AFS Licence	Australian financial services licence.
AMIT	Attribution Managed Investment Trust.
AML/CTF Act	The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).
Application Form	The application form for the Trust.
ASIC	Australian Securities & Investments Commission.
ASIC Relief	Any declaration made or exemption granted by ASIC that is applicable to the Trust and that is in force.
ASX	ASX Limited or the Australian Securities Exchange, as the case requires.
ATO	Australian Taxation Office.
Business Day(s)	The days identified by the Securities Exchange Operator in the Securities Exchange Rules. For the purposes of calculating management costs only, Business Day includes a day on which the primary securities exchange for any security that forms part of the Trust's property is open for trading.
CHESS	Clearing House Electronic Sub-register System, the Australian settlement system for equities and other issued products traded on the ASX, Chi-X and other exchanges. CHESS is owned by the ASX.
Clearing Rules	The operating rules of ASX Clear Pty Limited from time to time.
Compliance Plan	The Compliance Plan of the Trust.
Constitution	The Constitution of the Trust.
Corporations Act	Corporations Act 2001 (Cth).
CRS	Common Reporting Standard.
Custodian	Northern Trust.
Custody Agreement	The Master Custody Agreement in respect of the assets of the Trust between the Custodian and the Responsible Entity.
EFT	Electronic Funds Transfer.
FATCA	Foreign Account Tax Compliance Act.
GST	Goods and Services Tax.
HIN	Holder Identification Number.
IDPS	Investor Directed Portfolio Service.
iNAV	Indicative NAV per unit.
Investment Manager	Magellan Asset Management Limited ABN 31 120 593 946; AFS Licence No. 304 301
Listing Rules	The listing rules of the ASX from time to time.
Management Costs	The management costs of the Trust as described in Section 9 of this PDS.
NAV	Net asset value.
NAV Permitted Discretions Policy	The Responsible Entity's policy detailing the discretions exercised in the calculation of NAV per Unit.
NAV per Unit	The NAV per Unit is calculated by dividing the NAV of the Trust by the number of units on issue.
Northern Trust	The Northern Trust Company (acting through its Australian branch).
PDS	This product disclosure statement as amended or supplemented from time to time.

Registry Services Agreement	The agreement, as amended from time to time, between the Responsible Entity and the Unit Registry governing the registry services to be provided in respect of the Trust by the Unit Registry.
Responsible Entity	Magellan Asset Management Limited ABN 31 120 593 946; AFS Licence No. 304 301.
Settlement Rules	The operating rules of ASX Settlement Pty Limited (ABN 49 008 504 532) from time to time.
Securities Exchange	The securities exchange operated by ASX.
Securities Exchange Operator	ASX.
Securities Exchange Rules	The operating rules of the Securities Exchange Operator that apply from time to time to the quotation of managed funds and products such as the units.
SRN	Securityholder Reference Number.
Target Cash Distribution	The target cash distribution yield of 3% per annum based on the average of the month-end NAV per Unit over a two year rolling period.
Trading Day	The day and time during which shares are traded on the Securities Exchange.
Unit Registry	Automic Group will operate the registry for the Trust.

14. Contact details

Responsible Entity and Investment Manager

Magellan Asset Management Limited
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Unit Registry

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Custodian

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