

# Coolabah Active Global Bond Complex ETF

## Product Disclosure Statement

Ticker: GFXD  
ARSN 675 577 670  
Issue Date 15 June 2026

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This Product Disclosure Statement ("PDS") was issued on 15 June 2026. This PDS is for the offer of interests in the Coolabah Active Global Bond Complex ETF ASX: GFXD (referred throughout this PDS as the "Class"), a class of the Coolabah Active Global Bond Fund ARSN 675 577 670 ("Fund").

The PDS has been prepared and issued by Equity Trustees Limited (ABN 46 004 031 298, Australian Financial Services Licence ("AFSL") No. 240975) in its capacity as the responsible entity of the Fund (referred throughout this PDS as the "Responsible Entity", "Equity Trustees", "us" or "we"). The investment manager is Coolabah Capital Investments (Retail) Pty Limited (referred to throughout this PDS as the "Investment Manager" or "CCIR"). Coolabah Capital Investments (Retail) Pty Ltd is a corporate authorised representative (#000414337) of Coolabah Capital Institutional Investments Pty Ltd (AFSL 482238). The portfolio manager of the Fund is Coolabah Capital Institutional Investments Pty Ltd ("CCII" or "Portfolio Manager"). Both the Investment Manager and Portfolio Manager are wholly owned subsidiaries of Coolabah Capital Investments Pty Ltd ("CCI" or "Coolabah").

The Fund is a registered managed investment scheme and at the time of lodgment of this PDS with ASIC, an application has been made for the Units to be quoted on the Securities Exchange with the exchange ticker: GFXD. No applications will be accepted until the end of the PDS exposure period. The exposure period is seven days after lodgment of this PDS with ASIC, subject to a possible seven-day extension. A copy of this PDS has been lodged with ASIC and neither ASIC nor the Securities Exchange Operator takes any responsibility for the contents of this PDS.

The Responsible Entity has authorised the use of this PDS as disclosure to investors and prospective investors who invest directly in the Class, as well as investors and prospective investors of an investor directed portfolio service, master trust, wrap account or an investor directed portfolio service-like scheme ("IDPS"). This PDS is available for use by persons applying for units through an IDPS ("Indirect Investors").

The operator of an IDPS is referred to in this PDS as the "IDPS Operator" and the disclosure document for an IDPS is referred to as the "IDPS Guide". If you invest through an IDPS, your rights and liabilities will be governed by the terms and conditions of the IDPS Guide. Indirect Investors should carefully read the IDPS Guide before investing in the Class. Indirect Investors should note that they are directing the IDPS Operator to arrange for their money to be invested in the Class on their behalf. Indirect Investors do not become unitholders in the Class or have the rights of unitholders except in relation to access to Equity Trustee's complaints resolution process (see Section 8). The IDPS Operator becomes the unitholder in the Class and acquires these rights. The IDPS Operator can exercise or decline to exercise the rights on an Indirect Investor's behalf according to the arrangement governing the IDPS. Indirect Investors should refer to their IDPS Guide for information relating to their rights and responsibilities as an Indirect Investor, including information on any fees and charges applicable to their investment. Information regarding how Indirect Investors can apply for Units in the Class (including an application form where applicable) will also be contained in the IDPS Guide. Equity Trustees accepts no responsibility for IDPS Operators or any failure by an IDPS Operator to provide Indirect Investors with a current version of this PDS as provided by Equity Trustees or to withdraw the PDS from circulation if required by Equity Trustees.

Please ask your adviser if you have any questions about investing in the Class (either directly or indirectly through an IDPS).

This PDS is prepared for your general information only. It is not intended to be a recommendation by the Responsible Entity, Investment Manager and the Portfolio Manager, any associate, employee, agent or officer of the Responsible Entity, Investment Manager and the Portfolio Manager or any other person to invest in the Class. This PDS does not take into account the investment objectives, financial situation or needs of any particular investor. You should not base your decision to invest in the Class solely on the information in this PDS. You should consider whether the information in this PDS is appropriate for you, having regard to your objectives, financial situation and needs and you may want to seek professional financial advice before making an investment decision.

Equity Trustees, the Investment Manager, the Portfolio Manager and their employees, associates, 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 Class. Past performance is no indication of future performance. An investment in the Class does not represent a deposit with or a liability of Equity Trustees, the Investment Manager, the Portfolio Manager or any of their associates. An investment is subject to investment risk, including possible delays in repayment and loss of income or capital invested. Units in the Class are offered and issued by the Responsible Entity on the terms and conditions described in this PDS. You should read this PDS in its entirety because you will become bound by it if you become an investor in the Class.

The forward looking statements included in this PDS involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Equity Trustees, the Investment Manager and the Portfolio Manager and their officers, employees, agents and associates. Actual future events may vary materially from the forward looking statements and the assumptions on which those statements are based. Given these uncertainties, you are cautioned to not place undue reliance on such forward looking statements.

In considering whether to invest in the Class, investors should consider the risk factors that could affect the financial performance of the Fund and Class. Some of the risk factors affecting the Fund and Class are summarised in Section 7.

The offer to which this PDS relates is only available to persons receiving this PDS (electronically or otherwise) in Australia.

This PDS does not constitute a direct or indirect offer of securities in the US or to any US Person as defined in Regulation S under the US Securities Act of 1933 as amended ("US Securities Act"). Equity Trustees may vary its position and offers may be accepted on merit at Equity Trustees' discretion. The Units in the Class have not been, and will not be, registered under the US Securities Act unless otherwise determined by Equity Trustees and may not be offered or sold in the US to, or for, the account of any US Person (as defined) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

If you received this PDS electronically, you will need to print and read this document in its entirety. We will provide a paper copy free upon request during the life of this PDS.

**Certain information in this PDS is subject to change from time to time. We may update this information. Information that is not materially adverse information can be updated by the Responsible Entity. You can obtain any updated information:**

- by contacting CCIR on 1300 901 711; or
- by visiting the CCIR website at [www.coolabahcapital.com](http://www.coolabahcapital.com)

When you become an investor in the Class, you will become bound by the terms and conditions described in this PDS (and any updates made to this PDS from time to time). A paper

copy of the updated information will be provided free of charge on request. In addition, the information will be released on the Securities Exchange via the market announcements platform.

You may also contact Equity Trustees:

- by writing to GPO Box 2307 Melbourne VIC 3001; or
- by calling +613 8623 5000

Unless otherwise stated, all fees quoted in the PDS are inclusive of GST, net of any Reduced Input Tax Credits ("RITC"). All amounts are in Australian dollars (AUD) unless otherwise

specified. All references to legislation are to Australian law unless otherwise specified.

Certain terms used in this PDS are defined in Section 14 of this PDS. To the extent permitted by law, Equity Trustees expressly disclaims all liability for any loss arising from omissions or errors contained in this PDS.

# 1. Fund at a glance

|                             | Summary   | For further information |
|-----------------------------|---|-------------------------|
| <i>Name of the Class</i>    | Coolabah Active Global Bond Complex ETF   | Cover page              |
| <i>Name of the Fund</i>     | Coolabah Active Global Bond Fund  | Cover page              |
| <i>ARSN</i>                 | 675 577 670   | Cover page              |
| <i>Ticker</i>               | GFXD  | Cover page              |
| <i>Responsible Entity</i>   | Equity Trustees Limited (ABN 46 004 031 298 AFSL 240975)  | Section 4               |
| <i>Investment Manager</i>   | Coolabah Capital Investments (Retail) Pty Ltd (ABN 64 153 555 867, CAR No 000414337)  | Section 4               |
| <i>Portfolio Manager</i>    | Coolabah Capital Institutional Investments Pty Ltd (ABN 85 605 806 059, AFSL 482238)  | Section 4               |
| <i>Investment objective</i> | <p>The Fund targets returns in excess of the Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD), after management fees and costs and performance fees, by 1.0% to 2.0% per annum over rolling 3 year periods.</p> <p>The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over a rolling 3-year period. The Fund may not achieve its investment objective. Returns, income and capital are not guaranteed.</p>  | Section 5               |
| <i>Fund Benchmark</i>       | Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD)   | Section 5               |
| <i>Investment strategy</i>  | <p>The Fund offers an active fixed-income strategy focused on mispricing in global government and corporate bond markets with the aim of delivering superior risk-adjusted returns over the Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD) after management fees and costs and performance fees.</p> <p>The Fund is permitted to invest in bonds, such as government and semi-government bonds, bank and corporate bonds, and asset-backed securities, including residential-mortgage-backed securities, issued in G10 Currencies hedged to Australian dollars, as well as cash and cash equivalents.</p> <p>In addition to an active investment, the Fund also employs active asset-allocation between cash and debt securities. The Fund retains the ability to switch between cash and debt securities based on the Portfolio Managers' valuation views of each sector and may invest 100% in cash as a defensive measure.</p> <p>The Fund may also invest in over-the-counter ("OTC") or exchange traded derivatives for investment and risk management purposes.</p> <p>The Fund's investment strategy may involve borrowing, using repurchase agreements or taking long or short positions to achieve leverage. Any use of leverage is aimed to increase the Fund's exposure to mispriced bonds that can provide capital gains as their price appreciates in addition to the income they pay.</p> <p>If the Fund uses leverage, this can be expected to magnify both the investment gains and losses, and consequently significant variations in the value of the Fund's investments can be expected. The Fund may therefore involve risks that are not present in un-leveraged fixed income funds.</p> <p>Please refer to section 7 Managing risks for further information.</p> | Section 5.2             |

|   |  |                     |
|---|--|---------------------|
| <i>The type(s) of investor(s) for whom the Fund would be suitable</i> | <p>An investment in the Fund may be suitable for investors seeking:</p> <ul style="list-style-type: none"> <li>• exposure to a fixed-rate strategy that aims to outperform the Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD) and are comfortable with interest rate risk which may be favourable in an a stable or decreasing interest rate environment,</li> <li>• a fixed income strategy that may be used to diversify equity risk in multi-asset class portfolios,</li> <li>• exposure to an actively managed portfolio of global government and corporate bonds, or</li> <li>• exposure to a strategy that aims to provide regular quarterly income.</li> </ul> <p>For information on 'how the fund invests', see section 5.</p> <p>The Fund carries certain investment risks. For more information on the risks applicable to the Fund and the Class see section 7.</p> <p>The Fund's use of derivatives and leverage may make the investment strategy of the Fund riskier than some other fixed income funds available in the Australian market. Potential investors should consider their tolerance for risk and their particular investment objectives and circumstances, in consultation with a professional adviser before making an investment decision. An investment in the Fund should only be considered as a satellite or minor component of an investor's overall portfolio.</p> | Sections 5 and 7    |
| <i>Recommended investment timeframe</i>                               | <p>A suggested investment timeframe of 3 years or more.</p> <p>The Investment Manager has set the timeframe having regard to the investment "standard risk measure" developed by industry to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period. Refer to section 7 "risk measure" for more details.</p> <p>Your investment timeframe will depend on your own personal circumstances and you should talk to your financial adviser to determine your particular investment timeframe.</p>   | Section 5           |
| <i>Net Asset Value</i>  | <p>The Net Asset Value ("NAV") of the Class is calculated by deducting the liabilities (including any accrued fees) of the Class from the aggregate value of the assets attributable to the Class within the Fund. The NAV published on a particular Business Day reflects the value of the Class on the previous day at the close of trading in each market in which the Fund invests.</p> <p>The NAV per Unit is calculated by dividing the NAV of the Class by the number of Units on issue in the Class.</p> <p>An indicative NAV per Unit ("iNAV") will be published on <a href="http://www.coolabahcapital.com">www.coolabahcapital.com</a> for the Class throughout the Trading Day. The iNAV will be updated using real time fair value methodology that seeks to ensure that the iNAV reflects the movements in markets and currencies during the Trading Day.</p>  | Section 6           |
| <i>Minimum initial investment</i>                                     | There is no minimum number of units that investors can buy on the Securities Exchange.   | Sections 6, 8 and 9 |
| <i>Minimum additional investment</i>                                  | There is no minimum additional units that investors can buy on the Securities Exchange.  | Sections 6, 8 and 9 |
| <i>Minimum withdrawal amount</i>                                      | There is no minimum number of units that investors can sell on the Securities Exchange.  | Sections 6, 8 and 9 |
| <i>Minimum balance</i>  | There is no minimum balance of units required to be held on the Securities Exchange.   | Sections 6, 8 and 9 |
| <i>Cut off time for applications and withdrawals</i>                  | Applications and withdrawals on the Securities Exchange: Close of the Trading Day  | Sections 6, 8 and 9 |
| <i>Entering and Exiting the Fund</i>                                  | <p>Investors can enter the Class by buying Units on the Securities Exchange through a stockbroker using your HIN.</p> <p>Investors can exit the Class by selling Units on the Securities Exchange.</p>   | Section 8           |

|  |  |             |
|--|--|-------------|
| <i>Market Liquidity</i>  | <p>The Responsible Entity has appointed a market maker to provide continuous liquidity to the market by acting as buyer and seller to the Securities Exchange.</p> <p>The Market Maker publishes bid and ask prices on the ASX, continuously updating the prices throughout the ASX Trading Day. The Market Maker will trade on the ASX as orders are submitted.</p> <p>There may be circumstances where the Fund is suspended in accordance with the Constitution or where the Fund is not liquid as defined under the Corporations Act. In those cases, the Fund may continue to trade on the Securities Exchange provided the Fund complies with the Securities Exchange Rules. The Responsible Entity or the Securities Exchange may seek a trading halt, if the Fund ceases to comply with the Securities Exchange Rules.</p> <p>Alternatively, there may be circumstances where the Securities Exchange suspends trading of Units and unit holders may continue to withdraw directly from the Responsible Entity provided the withdrawals have not also been suspended in accordance with the Constitution. See "Off market withdrawal rights" in Section 8.</p> | Section 5.6 |
| <i>Transaction confirmations</i>   | Investors buying or selling Units on the Securities Exchange will receive transaction confirmations from their stockbroker, including a HIN.   | Section 6   |
| <i>Distributions</i>   | Distributions are generally made quarterly at the end of June, September, December and March.  | Section 6   |
| <i>Management fees and costs</i>   | 0.65% p.a. of the Net Asset Value of the Class ("NAV") (including GST less RITCs)  | Section 10  |
| <i>Transaction costs</i>   | 0.02% p.a. (net) of the NAV of the Class.<br>Brokerage fees and commissions apply when buying or selling Units on the Securities Exchange. Investors should consult their stockbroker for more information in relation to these costs.   | Section 10  |
| <i>Performance fee</i>   | The performance fee is 20.5% (inclusive of the net impact of GST and RITC) by which the Class outperforms the Benchmark after management fees and costs.   | Section 10  |
| <i>Labour standards and environmental, social and ethical considerations</i> | When managing the Fund the Portfolio Manager does take into account labour standards and environmental, social and ethical considerations for the purposes of selection, retention or realisation of investments in the Fund.  | Section 5   |
| <i>Entry fee/exit fee</i>  | Not applicable   | Section 10  |
| <i>Buy/Sell Spread</i>   | Buying or selling Units on the Securities Exchange: determined by market participants.   | Section 10  |

## 2. ASIC Benchmarks

The Fund is a 'hedge fund' for the purposes of Australian Securities and Investments Commission ("ASIC") Regulatory Guide 240 ("RG 240"). The following table and the tables in Sections 1 and 3 set out a summary of the disclosure ASIC requires for hedge funds, the key features of the Fund and a guide to where more detailed information can be found in this PDS. A copy of RG 240 dated March 2026 (as may be amended, supplemented or replaced from time to time) is available from [www.asic.gov.au](http://www.asic.gov.au).

The information summarised in the relevant tables and explained in detail in the identified section reference is intended to assist investors with analysing the risks of investing in the Class. Investors should consider this information together with the detailed explanation of various benchmarks and principles referenced throughout this PDS and the key risks of investing in the Fund and Class highlighted in Section 7 of this PDS.

| ASIC Benchmark  | Is the benchmark satisfied? | Summary  | For further information |
|---|-----------------------------|--|-------------------------|
| <b>Benchmark 1: Valuation of assets</b>   |                             |  |                         |
| This benchmark addresses whether valuations of the Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.   | Yes                         | <p>Equity Trustees has appointed an independent administrator, Apex Fund Services Pty Ltd, to provide administration services for the Fund, including valuation services.</p> <p>The Fund satisfies Benchmark 1 by having its non-exchange traded assets independently valued by the Administrator in accordance with its pricing policy and by having over-the-counter ("OTC") Derivatives generally valued by reference to the counterparty settlement price which is based upon broad financial market indices.</p> <p>The Fund's Administrator will value all of the Fund's assets and calculate the total value of the Fund's assets and the NAV per Unit using this valuations.</p> <p>The valuation methods applied to value the Fund's assets are consistent with applicable industry standards and result in the NAV per Unit calculations that are independently verifiable.</p> | Section 5.4             |
| <b>Benchmark 2: Periodic reporting</b>  |                             |  |                         |
| This benchmark addresses whether the Responsible Entity of the Fund will provide periodic disclosure of certain key information specified by ASIC on an annual and monthly basis. | Yes                         | The Responsible Entity will provide periodic disclosure of certain key information on an annual and monthly basis.   | Section 9               |

### 3. ASIC disclosure principles

|                            | Summary  | Section (for further information) |
|----------------------------|--|-----------------------------------|
| <i>Investment strategy</i> | <p>The Fund offers an active fixed-income strategy focused on mispricing in global government and corporate bond markets with the aim of delivering superior risk-adjusted returns over the Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD) after management fees and costs and performance fees. Assets will primarily be held in custody by a sub-custodian in the United Kingdom and hedged to Australian dollars. Any assets issued in Australian dollars will primarily be held in custody in Australia.</p> <p>The Investment Manager and Portfolio Manager may use leverage through the use of repurchase agreements or as a result of short selling. If it is used, leverage can magnify both investment gains and losses, and consequently significant variations in the value of the Fund's investments can be expected. See section 5.2 for further information regarding the use of Leverage.</p> <p>The Investment Manager and Portfolio Manager intend to use derivatives in implementing the investment strategy. See "Derivatives" section below.</p> <p>The Investment Manager and Portfolio Manager may use short selling strategies with the Fund's underlying investment products to generate returns in declining markets. See "Short Selling" section below. Investors will receive distributions (generally quarterly) consisting of returns from (1) fixed income (coupons), normally quarterly or semi-annually; (2) changes in the value of the Fund's bond and derivative portfolio holdings magnified by the effect of leverage, which will be reflected in the Class's NAV per Unit and (3) profits derived from short selling positions.</p> <p>The Fund's ability to produce investment returns is partially dependent on general bond market conditions, adverse price fluctuations on bond prices, prevailing interest rates, the price of a derivative's underlying financial product value and the availability of acceptable finance for gearing.</p> <p>Specific risks associated with the Fund's investment strategy are described in section 7, and include market risk, gearing risk and counterparty risk.</p> <p>The Responsible Entity's risk management strategy comprises: (1) monitoring the Fund's gearing ratio; (2) ensuring counterparties have been previously approved and monitoring counterparty positions in relation to repurchase agreements; (3) monitoring the price fluctuations of derivatives and bonds involved in short positions.</p> | Section 5.2                       |
| <i>Investment manager</i>  | <p>Equity Trustees Limited, as responsible entity of the Fund, has appointed Coolabah Capital Investments (Retail) Pty Limited as the Investment Manager of the Fund, which has in turn appointed Coolabah Capital Institutional Investments Pty Ltd as the Portfolio Manager of the Fund.</p> <p>See Section 4 in relation to the expertise of the Investment Manager and Portfolio Manager and the Investment Management Agreement ("IMA") under which the Investment Manager and Portfolio Manager have been appointed.</p>   | Section 4                         |

|  | Summary   | Section (for further information) |
|--|---|-----------------------------------|
| <i>Fund structure</i>                            | <p>The Fund is an Australian unit trust registered under the Corporations Act as a managed investment scheme. Units in the Class, once quoted can be traded on the Securities Exchange like any quoted security.</p> <p>The responsible entity of the Fund is Equity Trustees. Equity Trustees may appoint service providers to assist in the ongoing operation, management and administration of the Fund.</p> <p>The key service providers to the Fund are:</p> <ul style="list-style-type: none"> <li>• Coolabah Capital Investments (Retail) Pty Limited, the Investment Manager of the Fund;</li> <li>• Coolabah Capital Institutional Investments Pty Ltd, the Portfolio Manager of the Fund;</li> <li>• Apex Fund Services Pty Ltd, the registry and administrator of the Fund;</li> <li>• Citigroup Pty Limited, the custodian of the assets of the Fund;</li> <li>• Ernst &amp; Young, the Fund Auditor;</li> <li>• PWC, auditor of the Fund's compliance plan;</li> <li>• Banks acting as counterparties to repurchase agreements.</li> </ul> <p>See Sections 4 and 5.3 for further information on other key service providers, Equity Trustees' role in monitoring the performance of service providers.</p> <p>Also see section 5 for a description of the Fund's structure and a diagram of the flow of funds through the Fund.</p>  | Sections 4 & 5.3                  |
| <i>Valuation, location and custody of assets</i> | <p>Apex Fund Services Pty Ltd is the administrator of the Fund and provides administrative, fund accounting, registry and transfer agency services. The Administrator is responsible for calculating the Fund's NAV.</p> <p>Citigroup Pty Limited is the custodian providing custodial services.</p> <p>See section 5.4 for further information on the custodial arrangements and the geographical location of the Fund's assets.</p> <p>Assets of the Fund are primarily expected to be located in the United Kingdom and Australia. Non-Australian dollar denominated bonds, which will predominantly settle via Euroclear, will be held by an offshore custodian under a sub-custody agreement with the Custodian in the market of their denomination.</p>   | Section 5.4                       |
| <i>Fund Liquidity</i>                            | <p>The Responsible Entity intends that the Fund will only invest in liquid assets that it reasonably expects will be able to be liquidated (at their market value) on a daily basis (subject to normal settlement cycles of listed bonds that generally do not exceed two business days in their local market.)</p> <p>Further, in order to facilitate a liquid market for the Class on the Securities Exchange, the Responsible Entity has appointed a market maker, to maintain continuous liquidity to investors on the Securities Exchange by acting as a buyer and seller of Units. The market maker will create and redeem Units as required to hold an inventory of Units enabling it to provide buy and sell prices to the secondary market, while also potentially hedging their underlying positions.</p> <p>There may be circumstances where the Fund or Class is suspended in accordance with the Constitution or where the Fund is not liquid as defined under the Corporations Act. In those cases, the Class may continue to trade on the Securities Exchange provided the Class complies with the Securities Exchange Rules. The Responsible Entity or the Securities Exchange Operator may seek a trading halt, if the Class ceases to comply with the Securities Exchange Rules.</p> <p>Alternatively, there may be circumstances where the Securities Exchange Operator suspends trading of Units and unitholders may continue to withdraw directly from the Responsible Entity, provided the withdrawals have not also been suspended in accordance with the Constitution. See "Off market withdrawal rights" in Section 8.</p> | Section 5.5                       |

|                      | Summary   | Section (for further information) |
|----------------------|---|-----------------------------------|
| <i>Leverage</i>      | <p>The Fund may use leverage through its use of borrowing, repurchase agreements, Derivatives and as a result of any short selling it undertakes for the purposes of generating alpha as part of the investment strategy.</p> <p>The counterparties to the repurchase agreements will typically be large Australian and international trading banks. The counterparties to derivative contracts will be large Australian and international trading banks large banks with superior credit ratings of at least "A-".</p> <p>The Fund does not target a specific level of leverage, and does not use leverage simply to increase Fund yield. Leverage can be used to obtain additional exposure to mispriced assets which the Investment Manager believe will generate capital gains for the Fund. The Fund will typically have gearing of 1.0x (i.e. no gearing) to 1.5x, and may have gearing of up to 2.5x.</p> <p>A worked example showing the impact of leverage on investment returns and losses, assuming the maximum anticipated level of leverage (including leverage embedded in assets, excluding leverage in listed bonds) is provided at section 5.6.</p>  | Section 5.6                       |
| <i>Derivatives</i>   | <p>Derivatives are used to manage risk and/or gain exposure to investments.</p> <p>The use of Derivatives may amplify losses or returns on capital. The Investment Manager and Portfolio Manager intend to include exchange traded and OTC Derivatives in the Fund's investment strategy.</p> <p>The counterparty to the Fund's OTC Derivatives will be large Australian or international banks with superior credit ratings of at least "A-", and the Portfolio Manager selects counterparties based on selection criteria in its Trade Management Policy. Only cash may be held by the Fund as collateral under an OTC derivative.</p> <p>In accordance with the Securities Exchange Rules, the Responsible Entity monitors the Fund's exposure to all OTC derivative counterparties on a daily basis. In the event that the aggregate exposure of the Fund to all OTC derivative counterparties exceeds 10% of NAV, the Responsible Entity will take steps within one Trading Day to acquire further collateral to ensure that the exposure of all OTC derivatives counterparties is reduced to 10% or less of NAV.</p> <p>For key risks to the Fund associated with the collateral requirements of the derivative counterparties, please see Section 7.</p> | Section 5.7                       |
| <i>Short selling</i> | <p>Short selling is used to manage risk and/or gain exposure to investments.</p> <p>The risks associated with short selling and the ways in which the Investment Manager seeks to mitigate those risks are set out in Sections 5.8 and 6.</p>   | Sections 5.8 and 6                |
| <i>Withdrawals</i>   | <p>Investors can enter or exit the Fund by buying or selling units on the Securities Exchange via their stockbroker like any listed security.</p> <p>For more information on buying and selling securities on the Securities Exchange please see Section 8.</p>   | Section 7                         |

## 4. Who is Managing the Fund?

### The Responsible Entity

#### Equity Trustees Limited

Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975), a subsidiary of EQT Holdings Limited ABN 22 607 797 615, which is a public company listed on the Australian Securities Exchange (ASX: EQT), is the Fund's responsible entity and issuer of this PDS. Established as a trustee and executorial service provider by a special Act of the Victorian Parliament in 1888, today Equity Trustees is a dynamic financial services institution which continues to grow the breadth and quality of products and services on offer.

Equity Trustees' responsibilities and obligations as the Fund's responsible entity are governed by the Fund's constitution, as amended from time to time ("Constitution"), the Corporations Act and general trust law. Equity Trustees has appointed Coolabah Capital Investments (Retail) Pty Ltd as the Investment Manager of the Fund.

### The Investment Manager

#### Coolabah Capital Investments (Retail) Pty Ltd

The Investment Manager is Coolabah Capital Investments (Retail) Pty Ltd ABN 64 153 555 867 (CCIR), which is a corporate authorised representative (#000414337) of Coolabah Capital Institutional Investments Pty Ltd ABN 85 605 806 059, AFSL 482238.

CCIR has appointed its related entity, Coolabah Capital Institutional Investments Pty Ltd (CCII), as the Portfolio Manager to which it sub-delegates all portfolio management responsibilities for the Fund and its other fixed-income products. Both the Investment Manager and Portfolio Manager are wholly owned subsidiaries of Coolabah Capital Investments Pty Ltd (CCI). CCI is 62% owned by its portfolio management team, and 38% owned by Pinnacle Investment Management Group Limited, a leading Australian-based multi-affiliate investment firm.

Established in 2011, CCI aims to deliver actively managed investment solutions that outperform traditional fixed-income products on a risk-adjusted basis. CCI aims to achieve this through generating "alpha" or capital gains in liquid high-grade credit, which is in contrast to traditional fixed-income strategies that drive returns through adding more interest rate duration risk, credit default risk or illiquidity risk (or "beta"). As of 31 March 2026, CCI managed over \$18.5bn.

### The Portfolio Manager

#### Coolabah Capital Institutional Investments Pty Ltd

The Investment Manager has appointed CCII as the Portfolio Manager of the Fund. The Portfolio Manager's experienced investment team at the date of issue of this PDS comprises eleven full-time portfolio managers and traders, and fifteen full-time analysts who apply intensive quantitative and qualitative valuation analysis to identify mispriced securities that can be profitably translated into active returns. This team is augmented by an experienced independent chair and an independent compliance committee specialist and compliance oversight by Equity Trustees as the Responsible Entity.

Under the investment management agreement between the Investment Manager, Portfolio Manager and Equity Trustees, Equity Trustees can terminate the Investment Manager or Portfolio Manager's appointment where the Investment Manager or Portfolio Manager becomes insolvent, materially breaches the agreement, ceases to carry on its business or in certain other circumstances. In the event that Equity Trustees terminates the Investment Manager or Portfolio Manager

following one of these events, the Investment Manager or Portfolio Manager's appointment would cease upon any termination date specified in the notice, and the Investment Manager or Portfolio Manager would be entitled to receive fees in accordance with the agreement until the effective date of termination.

### Key professionals

The Portfolio Manager's investment team includes the following key professionals:

#### Christopher Joye, Chief Investment Officer & Senior Portfolio Manager

Christopher founded Coolabah Capital in 2011 and leads the portfolio management effort that has produced one of Australia's top short-term fixed-interest capabilities. He is responsible for investment decisioning, portfolio management, research and asset pricing, and general business management, running a large team of portfolio managers and analysts. Christopher is also a Contributing Editor with The Australian Financial Review and well-known as one of Australia's leading economists, policy advisors and fund managers. In 2019, CCI was selected as one of FE fundinfo's Top 10 "Alpha Managers" based on his risk-adjusted performance throughout his career across all asset-classes. Christopher previously worked for Goldman Sachs in London and Sydney, the Reserve Bank of Australia, and was the founder of an award-winning research and investment group, Rismark International. In 2009 The Australian newspaper selected Christopher as one of Australia's top 10 "Emerging Leaders" in its economic/wealth category. In 2007 Christopher was selected by The Bulletin magazine as one of Australia's "10 Smartest CEOs" and by BRW Magazine as one of "Australia's Top 10 Innovators". In 2008, the Australian Government invested \$15 billion behind a policy proposal developed by Christopher to provide liquidity to the Australian RMBS market to mitigate the effects of the GFC. In 2019 the Australian government committed \$2bn to invest in securitised SME loans on the basis of a policy proposal Christopher developed for the Treasurer at the time to enhance competition and liquidity in the SME finance sector. In February 2009, Christopher was invited by the Rockefeller and MacArthur Foundations to travel to advise the Obama Administration on the US housing crisis. Christopher served as a Director of The Menzies Research Centre, which is a leading Australian thinktank, from 2003 to 2007. Christopher received Joint 1st Class Honours (Economics & Finance) and the University Medal in Economics & Finance from the University of Sydney, where he was a Credit Suisse First Boston Scholar, SIRCA and University Honours Scholar. He studied in the PhD program at Cambridge University in 2002 and 2003, where he was a Commonwealth Trust scholarship recipient.

#### Ashley Kabel, Senior Portfolio Manager, Deputy CIO

Ashley joined Coolabah Capital in 2017 in a full-time role as a quantitative analyst and portfolio manager and helps lead all portfolio management and research efforts. Ashley was previously Director of Quantitative Strategies at the award-winning and strongly performing FX hedge fund, The Cambridge Strategy, between 2012 and 2016, based in London. At Cambridge Ashley managed US\$250m (and a small team) in medium-term, quant-based FX strategies spanning 2012-2016 with an average audited annual return of 13.4% and volatility of 8.2%, outperforming FX beta indices and FX and Macro Hedge Fund indices. Prior to Cambridge, Ashley served as an investment analyst with portfolio management responsibilities covering FX, equities and fixed-income at the \$800bn fund manager, Invesco between 2005 and 2012, based in Sydney. At Invesco he helped develop, analyse and manage multiple quant

strategies including direct execution of fixed-income portfolios. Ashley graduated with honours degrees in Law and Engineering (Software) from Melbourne University, has extensive quantitative analytical and programming skills, and in his youth was awarded Australian government prizes for mathematics.

#### **Fionn O'Leary, Senior Portfolio Manager, Head of European Trading**

Fionn joined Coolabah in 2023 as a Senior Portfolio Manager based in London. Fionn previously spent over a decade in various senior interest rate trading roles at Deutsche Bank in London, where he originally started his career in 2002. During this time, he also managed a €16 billion portfolio of on- and off-balance sheet financial assets through the GFC and sovereign credit exposures through the Eurozone crisis. In 2013, Fionn was promoted to Head of Financials, Sovereigns & Credit Index Trading, managing a team of 18 traders. Outside of Deutsche Bank, Fionn worked at Brevan Howard Asset Management between 2015 and 2016 where he was mandated to set up a credit trading business. Most recently Fionn has worked at a large inter-dealer broker on strategic transformation projects, including minimizing the commercial operating model in light of the changing regulatory landscape (MiFID II & Brexit). Fionn holds an MSc in Financial Mathematics (with Distinction) and a BSc in Mathematics & Applied Mathematics.

#### **Jason Lindeman, Head of Credit Research**

Jason joined Coolabah Capital in 2017 in a full-time role as a senior credit analyst. Jason has over 20 years buy-side experience in fundamental and technical credit analysis across the capital structure. Previously at Hadron Capital LLP, a London based global relative value and event driven multi-asset class hedge fund, he was jointly responsible for the Credit Long/Short absolute return portfolio. The strategy sought relative value and catalyst driven investments, with portfolio views expressed using Corporate Bonds, Hybrids, Credit Default Swaps and Loans. Prior to Hadron, Jason was the Credit Portfolio Manager at RBC Capital Markets London, responsible for the European Credit Proprietary Trading Portfolio. He built and continually developed the credit process at both funds, while hiring, training and managing the relevant credit analyst teams. At Credit Suisse Capital Markets London, Jason was a Private Equity/Private Placements Analyst, investing proprietary capital in sub investment grade public companies, via the issuance of privately placed structured debt and equity securities. He was involved in the entire investment process from initial on-site due diligence, credit analysis, negotiation of terms, documentation and ongoing portfolio maintenance. Previous roles include Credit Risk Management at Credit Suisse London and NAB Corporate Banking in both London & Melbourne. Jason has a Bachelor of Economics and Post Graduate Diploma in Applied Finance and Investment.

The investment team devotes all of their business time to the Portfolio Manager's business, which includes managing and executing the investment strategy of the Fund and like mandates.

There have been no adverse findings (significant or otherwise) against the Responsible Entity or the Investment Manager or the Portfolio Manager, or any of the senior investment professionals at these organisations.

## **The Administrator**

### **Apex Fund Services Pty Limited**

The Responsible Entity has appointed Apex Fund Services Pty Limited ("Apex") to act as administrator for the Fund and unit registry for the Class ("Administrator"). In such capacity, the Administrator performs all general administrative tasks for the Fund, including keeping financial books and records and calculating the Net Asset Value of the Fund. The Responsible

Entity has entered into an Administration Agreement with the Administrator, which governs the services that will be provided by the Administrator to the Fund. The Investment manager may at any time, in consultation with the Responsible Entity, select any other administrator to serve as administrator to the Fund.

## **The Custodian**

### **Citigroup Pty Limited**

The Responsible Entity has appointed Citigroup Pty Limited as an independent custodian to hold the assets of the Fund ("Custodian"). In such capacity, the Custodian will hold the assets of the Fund in its name and act on the direction of the Responsible Entity to effect cash and investment transactions. The Responsible Entity has entered into a custodian agreement, which governs the services that will be provided by the Custodian to the Fund.

The Custodian has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to you for any act done or omission made in accordance with the Custodian Agreement.

## **Fund Auditor**

Ernst & Young ABN 75 288 172 749. Ernst & Young has been appointed as the independent auditor of the Fund's financial statements. PWC has been appointed as the independent auditor of the Fund's Compliance Plan. Neither Ernst & Young nor PWC are responsible for the operation or the investment management of the Fund and has not caused the issue of this PDS.

### ***Process for selecting, monitoring and reviewing our service providers***

We have processes for selecting, monitoring and reviewing the performance of all of our service providers. There are no unusual or materially onerous provisions in service provider agreements from an investor's perspective.

Other than the Investment Manager and the Portfolio Manager, we are not aware of any related party relationships between any of the service providers above other than as disclosed in this PDS, nor between any of the key service providers and any underlying funds or counterparties. We are not aware of any material arrangements in connection with the Fund that are not on at least arm's length terms.

The service providers engaged by the Responsible Entity may change without notice to investors.

## **Authorised Participant(s) and Market Maker(s)**

Under the Securities Exchange Rules, the Responsible Entity is under certain obligations in respect of the Fund to facilitate an orderly and liquid market for the Fund. The Responsible Entity has appointed an authorised participant(s) and market maker(s) to create and redeem units in the primary market and maintain continuous liquidity.

The Responsible Entity may at any time, in consultation with the Investment Manager, select any other market maker to serve as market maker to the Fund.

Given the importance of this role, we seek to appoint authorised participant(s) and market maker(s) that:

- have experience in making markets in exchange quoted products and other types of listed securities in both Australia and overseas;
- are participants of the Securities Exchange and have agreements with the Securities Exchange Operator to act as a market maker; and
- have the necessary skill and expertise to perform a market making function.

For the avoidance of doubt, authorised participants transact in the 'primary market' where units are created and redeemed directly with the Responsible Entity. Once the Units have been acquired by the authorised participant, the authorised participant makes them available for purchase on the Securities Exchange. The market maker(s) act as buyer and seller on the "secondary market" for Units in the Class (i.e. transact on the Securities Exchange trading platform) and are not involved with

applications to and withdrawals from the Responsible Entity directly. Although sometimes a market maker may also be an authorised participant. Under the market making arrangements, the market maker will generally retain for its own account any trading profit or bear any loss generated by its market making activities.

## 5. How the Fund invests

### 5.1 Investment Objective

The Class targets returns in excess of the Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD), after management fees and costs and performance fees, by 1.0% to 2.0% per annum over rolling 3-year periods.

The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over a rolling 3-year period. The Class may not achieve its investment objective. Returns, income and capital are not guaranteed.

### 5.2. Investment Strategy

The Investment Manager is an active manager. This entails applying bottom-up fundamental analysis and quantitative analysis of both issuers of the securities and the credit quality and structural features of the securities themselves to build a diversified portfolio of global cash and debt investments that are assessed to offer attractive returns relative to the Benchmark. Active managers seek to exploit mispricing of assets and/or find undervalued securities in order to produce superior performance.

The Fund offers an active fixed-income strategy focused on mispricing in global government and corporate bonds with the aim of delivering superior risk-adjusted returns over the Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD) after management fees and costs and performance fees. The Fund seeks to have broadly similar interest rate duration risk to the Benchmark subject to any active decisions implemented by the Portfolio Manager with the objective of generating excess returns.

In addition to an active investment philosophy that seeks to profit from mispriced assets, the Fund also employs active asset-allocation between cash and debt securities. The Fund retains the ability to switch between cash and debt securities based on the Portfolio Manager's valuation views of each sector. When credit spreads are wide and the risk-return payoff on debt securities may be higher than cash, the exposure to these debt securities may increase. Equally when credit spreads compress the portfolio weight to cash may rise.

The ability to invest 100% in cash is a defensive attribute of the Fund.

The Fund's investment guidelines and restrictions includes:

- the Fund is permitted to invest in bonds, such as government and semi-government bonds, bank and corporate bonds, and asset-backed securities, including residential-mortgage-backed securities and hybrid securities, in G10 Currencies hedged to Australian dollars;
- the Fund is also permitted to invest in cash and cash-equivalent securities, minimizing on repurchase agreements, exchange traded Derivatives and OTC Derivatives in currencies contained within the Benchmark;

- all the Fund's non-AUD investments are fully hedged into Australian dollars (so the Fund has minimal direct exposure to foreign exchange risk);
- the Fund does not invest in unrated debt, or sub-investment grade debt;
- the Fund does not invest directly in listed or unlisted ordinary shares (i.e. equities) although it can invest in certain exchange traded funds (ETFs) that invest in permitted underlying assets;
- the Fund can use derivatives to hedge risks such as interest rate, credit, currency & macroeconomic risks;
- the Fund is permitted to short-sell and use leverage or gearing to enhance its return;
- the Fund's use of repurchase agreements, derivatives and shorting may result in gearing of up to 2.5x; and
- the Fund has a medium risk rating under the "standard risk measure" (see Section 6 "Managing risk" for more information).

The Fund also has access to liquidity facilities that allow assets that are classified as "eligible securities" for repurchase by the RBA to be swapped with major Australian and international trading banks in exchange for cash, subject to these banks accepting these assets as part of their own repurchase operations.

Due to movements in the market or similar events, the guidelines set out above may not be adhered to from time to time. In these circumstances, the Investment Manager will seek to bring the Fund's investments within the guidelines within a reasonable period of time.

Where there is a material change to the investment strategy of the Fund we will give not less than 30 days prior notice to investors of the Fund. A material change in the investment strategy may occur after consultation between the Investment Manager and Responsible Entity, where it is determined that the current strategy is inappropriate to deliver the Fund's objective as a result of a substantial change to economic and/or investment conditions.

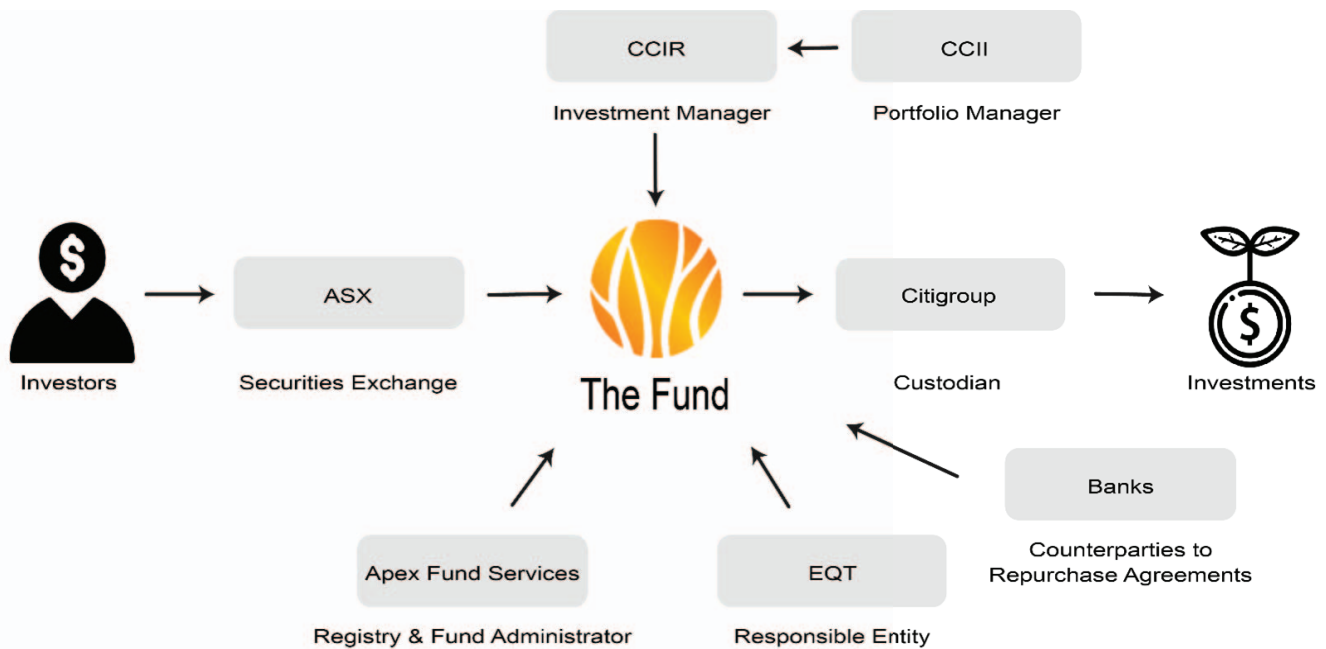
### 5.3. Fund Structure

The Fund is a registered managed investment scheme.

In general, each Unit in the Fund represents an individual's interest in the assets as a whole subject to liabilities; however, it does not give the investor an interest in any particular asset of the Fund. The Responsible Entity is responsible for the operation of the Fund, and the key service providers to the Fund are outlined in Section 4.

See Section 6 "Managing risk" for details on the risks associated with the Fund's structure.

The jurisdictions of the entities involved in the Fund which are set out below are all located in Australia.



#### 5.4. Valuation, location and custody of assets

The Fund’s assets are valued on a daily basis and provided to the Fund’s independent administrator, who then calculates the daily unit prices for the Fund.

Assets of the Fund are primarily expected to be located in the United Kingdom and Australia. Non-Australian dollar denominated bonds, which will predominately settle via Euroclear, will be held by an offshore custodian under a sub-custody agreement with the Custodian in the market of their denomination. Australian dollar denominated bonds that settled via Austraclear, will be held by the Custodian in Australia.

The value of the investments of the Fund is generally determined daily. The value of a Unit is determined by the NAV per Unit. This is calculated by deducting from the gross value of the assets of the Class the value of the liabilities of the Class (not including any investor liability). Generally, investments will be valued on each Business Day at their market value but other valuation methods and policies may be applied by the Administrator if appropriate or if otherwise required by law or applicable accounting standards.

#### 5.5. Investments of the Fund

The Fund offers investors exposure to assets that are traditionally defined as defensive, including:

- cash and cash equivalents,
- senior and subordinated bonds,
- hybrid securities, and
- asset-backed securities.

In addition to these physical assets, the Fund may also invest in a range of Derivatives to express its strategy, including:

- interest rate Derivatives,
- credit Derivatives,
- foreign exchange Derivatives, and
- other related swaps.

The majority of the Fund’s portfolio will be invested in assets of investment-grade quality, which means assets with at least a BBB- credit rating from a recognised rating agency.

The Fund may invest 100% of the portfolio in bonds, or in cash and cash equivalents. It does not adhere to pre-defined sectoral limits. The Portfolio Manager is an active manager and believes that pre-defined sectoral diversification can introduce correlated default and liquidity risks.

#### 5.6. Liquidity

The Responsible Entity intends that the Fund will only invest in liquid assets that it reasonably expects will be able to be liquidated (at their market value) on a daily basis (subject to normal settlement cycles of listed bonds and hybrid securities that generally do not exceed two business days in their local market).

Further, in order to facilitate a liquid market for the Class on the Securities Exchange, the Responsible Entity has appointed a market maker, to maintain continuous liquidity to investors on the Securities Exchange by acting as a buyer and seller of Units. The market maker, under its authority as an authorised participant, will create and redeem Units as required to hold an inventory of Units enabling it to provide buy and sell prices to the secondary market, while also potentially hedging their underlying positions.

There may be circumstances where the Fund or Class is suspended in accordance with the Constitution or where the Fund is not liquid as defined under the Corporations Act. In those cases, the Class may continue to trade on the Securities Exchange provided the Class complies with the Securities Exchange Rules. The Responsible Entity or the Securities Exchange Operator may seek a trading halt, if the Class ceases to comply with the Securities Exchange Rules.

Alternatively, there may be circumstances where the Securities Exchange Operator suspends trading of Units and unitholders may continue to withdraw directly from the Responsible Entity, provided the withdrawals have not also been suspended in accordance with the Constitution. See “Off market withdrawal rights” in Section 8.

#### 5.7. Leverage

The Fund can take long and short positions, use repurchase agreements, borrow and use Derivatives and this can mean the Fund is geared (or leveraged). Leverage can amplify gains and also amplify losses. At the core of the Portfolio Manager’s use of leverage is that it is applied against liquid, investment-grade debt securities, which rank ahead of equities and hybrids in the corporate capital structure. The Portfolio Manager has set leverage limits and other exposure limits to assist with risk management, which is overseen by the Portfolio Manager’s independent compliance committee.

The Fund does not target a specific level of leverage, and does not use leverage simply to increase Fund yield. Leverage may be used to obtain additional exposure to mispriced assets that the Portfolio Manager believes will generate capital gains for the Fund. The Fund will typically have gearing of 1.0x (i.e. no gearing) to 1.5x, and may have gearing of up to 2.5x subject to the opportunity set and the magnitude of the mispricings available to it.

The Fund may enter into repurchase agreements with large bank counterparties that have credit ratings of at least A-.

Leverage may also be used for the purpose of certain risk mitigation strategies, such as short-selling bonds in the event that the Portfolio Manager believes the values of these bonds will decline.

The following example illustrates the way in which gearing can affect investment gains and losses in comparison to a fund that is not geared.

| Example  | Geared   | Ungeared |
|--|----------|----------|
| Initial investment                                     | \$4,000  | \$4,000  |
| Fund gearing level                                     | 60.00%   | 0.00%    |
| Amount borrowed by Fund                                | \$6,000  | \$0      |
| Amount invested in market                              | \$10,000 | \$4,000  |
| <b>If the value of the Fund's assets rises by 2.0%</b> |          |          |
| Rise in value of Fund's assets                         | \$200    | \$80     |
| Value of Fund assets                                   | \$10,200 | \$4,080  |
| Outstanding loan                                       | \$6,000  | \$0      |
| Value of investment                                    | \$4,200  | \$4,080  |
| Gain on investment                                     | \$200    | \$80     |
| Return %   | 5.0%     | 2.0%     |
| <b>If the value of the Fund's assets falls by 2.0%</b> |          |          |
| Fall in value of Fund's assets                         | -\$200   | -\$80    |
| Value of Fund assets                                   | \$9,800  | \$3,920  |
| Outstanding loan                                       | \$6,000  | \$0      |
| Value of investment                                    | \$3,800  | \$3,920  |
| Loss on investment                                     | -\$200   | -\$80    |
| Return %   | -5.0%    | -2.0%    |

The leverage rules are asset-class specific, with riskier exposures subject to tighter controls. They are designed to reduce the risk of loss and to manage portfolio volatility within the target range. Please refer to Section 6 'Managing risk' for more details on this subject.

## 5.8. Derivatives

A derivative is any financial product that derives its value from another security, index or liability.

The Fund uses Derivatives to take investment positions and to manage (or 'hedge') risk. Their use is central to the investment strategy of the Fund, employed so that the Fund can take long and short positions.

The Fund may invest in OTC and exchange traded derivatives comprising of the following types:

- interest rate Derivatives,
- credit Derivatives,
- foreign exchange Derivatives, and
- other related swaps.

Under the Securities Exchange Rules, if the Fund's exposure to OTC derivatives exceeds 5% of the Fund's NAV, the Responsible Entity must disclose on a monthly basis:

- the exposure of the Fund to all OTC derivative counterparties as a percentage of the NAV of the Fund; and
- the value of the assets held by the Fund (excluding the value of the OTC derivatives but inclusive of collateral) as a percentage of the NAV of the Fund.

In accordance with the Securities Exchange Rules, the Responsible Entity monitors the Fund's exposure to all OTC derivative counterparties on a daily basis. In the event that the aggregate exposure of the Fund to all OTC derivative counterparties exceeds 10% of NAV, the Responsible Entity will take steps within one Trading Day to acquire further collateral to ensure that the exposure of all OTC derivatives counterparties is reduced to 10% or less of NAV. Only cash may be held by the Fund as collateral under an OTC derivative.

The counterparty to the Fund's OTC derivatives will be large Australian or international banks with credit ratings of at least 'A-'. The Investment and Portfolio Manager selects counterparties based on selection criteria in its Trade Management Policy.

## 5.9. Short Selling

Short sales involve selling an investment you do not own in anticipation that the investment's price will decline. Short sales are important as they can generate performance in declining markets or provide a hedge to long market exposure. But they present a risk on an individual investment basis, since the price of the investment may rise, causing the value of the Fund to decline. In addition, the Fund may be required to buy back the investment sold short at a time when the investment has increased in value, which would generate a loss.

The Fund may enter into short selling positions in order to profit from a particular mispricing, or to hedge other positions within the Fund. The Fund can enter short-selling positions using Derivatives or through securities borrowing via repurchase agreements or similar arrangements. Short selling does not form a substantive part of the Fund's investment strategy, and short sales are expected to be used opportunistically when certain bonds or Derivatives are expected to decrease in value.

## 5.10. Labour Standards, Environmental, Social and Ethical Factors ("ESG considerations")

EQT has delegated the investment function (including ESG considerations) to the Investment Manager. The Investment Manager has delegated these responsibilities to the Portfolio Manager to which it sub-delegates all portfolio management responsibilities for the Fund and its other fixed-income products. The Portfolio Manager has contemplated that labour, environmental, social and ethical considerations will be taken into account in relation to the investment of the Fund. The Fund is not designed for investors who have specific ESG

considerations or goals. The integration of ESG considerations into the investment process for the Fund described below does not imply the Fund is marketed or authorised as an ESG product in Australia.

The Portfolio Manager considers that ESG factors are important inputs into its investment process and can have notable consequences for the performance of its investments. These consequences extend beyond merely downside risks; they may also include potential upside for the portfolio, such as opportunities arising from ESG factors being overlooked or mispriced by the market, with both market participants and rating agencies often failing to appreciate the full nuance of these factors. Consequently, the consideration and due diligence of ESG factors, both quantitatively and qualitatively, form an important part of the Portfolio Manager's broader investment process. However, these factors may not necessarily be assessed in accordance with any predetermined weighting or methodology.

Examples of the types of ESG factors that the Portfolio Manager takes into account as part of its investment process include, but are not limited to:

Environmental:

- Climate and weather-related risks.
- Dependency on assets which may be impacted by environmental considerations.
- Pollution and environmental disruption.
- Environmental sustainability.

Social:

- Political stability in countries of operation.
- Track record and policies on labour, human rights and modern slavery.
- Diversity and inclusion.
- Workplace health and safety, including employee wellbeing.
- Commitment to maintaining internal and customer privacy, including cyber-security.
- Impact on customers and local communities.
- ESG-related reputational and brand risks.

Governance:

- Board and governance composition.
- Risk management and compliance track-record.
- Litigation and regulatory history.

The above ESG considerations are provided for illustrative purposes and are not exhaustive. The Portfolio Manager's ESG and Stewardship Policy (available here: [www.coolabahcapital.com/esg-policy](http://www.coolabahcapital.com/esg-policy)) provides further detail on how ESG factors are proactively considered and integrated into its broader investment and decision-making process. In making an assessment of the impact of ESG risks of an investment, the Portfolio Manager relies on various external data providers over whom the Portfolio Manager exerts no control. The third parties providing data as part of this process may change from time to time at the Portfolio Manager's discretion. While the Portfolio Manager has systems and controls in place to oversee and review information provided by third parties, there is a risk that errors or undisclosed changes may result in inadvertent

exposure to investments which do not meet the Portfolio Manager's ESG and Stewardship Policy. The Portfolio Manager formally reviews the portfolio for compliance with the ESG and Stewardship Policy at least annually. If an investment no longer meets the Portfolio Manager's ESG and Stewardship Policy, the Portfolio Manager may choose to avoid or divest of the investment. Where the Portfolio Manager chooses to divest assets from the Fund due to ESG principles, it will do so within a timeframe it considers reasonable in all the circumstances.

### 5.11. Fund performance

The recent performance of the Fund will be available at [www.coolabahcapital.com](http://www.coolabahcapital.com). Your financial adviser can also provide further information on the Fund. Remember that quoted unit prices will be historical and not necessarily the price you will receive when applying or withdrawing.

### 5.12. Investment timeframe

The suggested investment timeframe is 3 years, having regard to the underlying fixed income investments and other investment strategies such as the use of derivatives, leverage and short selling (discussed in section 5). In suggesting this timeframe we have not taken into account your individual objectives, financial circumstances or needs. Consider whether this product is right for you and consult a financial adviser before making a decision to buy or continue to hold this product.

### 5.13. Significant benefits of investing in the Fund

| Significant benefits               |  |
|------------------------------------|--|
| Active management                  | The Portfolio Manager actively adjusts the Fund's portfolio of global bonds, cash and related Derivatives securities with the aim of outperforming the Benchmark after management fees and costs and performance fees while aiming to minimize credit and illiquidity risk. <sup>1</sup> |
| Exposure to the global bond market | The Fund invests in wholesale bonds issued by global governments, banks and companies that are not always easy for individual investors to access.   |
| Regular income                     | While not guaranteed, the Class aims to distribute quarterly income.   |
| Global presence                    | Access to the investment knowledge of Coolabah's global investment team.   |

<sup>1</sup> The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over a rolling 3-year period. The Class may not achieve its investment objective. Returns, income and capital are not guaranteed.

## 6. About the Funds and Units

Investors' application monies are pooled together with other investors' money. The Portfolio Manager pools the application monies of all unitholders to buy investments and manage them on behalf of unitholders in accordance with the Fund's investment strategy. By investing in the Fund, unitholders have access to investments they may not be able to access on their own and benefit from the investment capabilities of Coolabah's investment team. The Fund serves as an efficient mechanism to invest on behalf of all unitholders.

Investors can enter the Class through acquiring Units on the Securities Exchange or through an IDPS. Investors can exit the Class through selling Units on the Securities Exchange or redeeming Units through an IDPS.

### Units and NAV per Unit

An application has been made for the Class to be quoted for trading on the Securities Exchange.

The NAV estimates the value of the Class at the close of trading on a previous day in each market in which the Fund invests. The NAV per Unit will be published daily on the Investment Manager's website [www.coolabahcapital.com](http://www.coolabahcapital.com) prior to the commencement of each Trading Day on the Securities Exchange. The NAV per Unit may fluctuate each day as the market value of the Fund's assets rises or falls. The Responsible Entity's NAV Permitted Discretions Policy provides further information about how the NAV per Unit is calculated.

The Responsible Entity has engaged Solactive AG as its agent to calculate and disseminate an iNAV which will be published on the Responsible Entity's website [www.eqt.com.au/insto](http://www.eqt.com.au/insto) as well as the Investment Manager's website [www.coolabahcapital.com](http://www.coolabahcapital.com) throughout the Securities Exchange Trading Day. The iNAV is calculated using the constituents of the proxy basket and reflects the real time movements in markets and currencies during the Trading Day. As the proxy basket is not identical to the Fund's portfolio, the iNAV is an estimate only and may differ from the Fund's actual net asset value. The Responsible Entity or its appointed agents give no guarantees 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 the NAV per Unit or the iNAV.

Refer to section 7 'Trading price of Units may differ from NAV per Unit' for further details on this Risk.

### Investing through an IDPS

The Responsible Entity has authorised the use of this PDS as disclosure to investors or prospective clients of IDPSs, which provide investors with a menu of investment opportunities.

Investors who invest through an IDPS may rely on the information in this PDS to give a direction to the operator of the IDPS to invest in the Class on their behalf. The Responsible Entity agrees to provide notice to the operators of the IDPSs promptly of any supplementary or replacement PDS that is issued under the Corporations Act.

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

Investors should read this PDS in conjunction with the offer documents issued by the IDPS Operator. Investors complete the application form provided by the IDPS Operator and receive reports concerning the Class from their IDPS Operator. Enquiries should be directed to the IDPS Operator.

If you are an Indirect Investor, you need to provide your withdrawal request directly to your IDPS Operator. The time to process a withdrawal request will depend on the particular IDPS Operator and the terms of the IDPS.

### Distributions

An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of Units held by the investor at the end of the distribution period. The Class usually distributes income quarterly. Distributions are calculated effective the last day of the distribution period and are normally paid to investors as soon as practicable after the distribution calculation date.

Investors in the Class can indicate a preference to have their distribution:

- reinvested back into the Class; or
- directly credited to their AUD Australian domiciled bank account.

Investors who did not indicate a preference will have their distributions credited to their Australian domiciled AUD bank account. Additional Units issued to investors will be rounded to the nearest whole number.

The Responsible Entity may cancel or suspend distribution reinvestments or modify the terms by which distribution reinvestments are permitted.

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

Indirect Investors should review their IDPS Guide for information on how and when they receive any income distribution.

Under the AMIT rules, investors will be assessed for tax on the income of the Class attributed to them. The Constitution permits the Responsible Entity to reinvest part or all of your distribution and/or accumulate part or all of the Class's income in the Class, in which case, under the AMIT rules, the income of the Class that is attributed to you (and which must be included in your income tax return) will be more than the cash distribution paid and the tax cost base of your Units will increase by the amount that the income of the Class attributed to you exceeds the cash distribution paid. For more details, see the Taxation overview in Section 12.

The Responsible Entity may, in a particular year, retain or accumulate part or all of the income of the Class. The tax cost base of Units will increase to the extent that the income of the Class attributed to investors exceeds the cash distribution paid (and will decrease to the extent that the income of the Class attributed to investors is less than the cash distribution paid). 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.

Details in relation to each distribution will be published on the announcements platform of the Securities Exchange and the Fund's website at [www.coolabahcapital.com](http://www.coolabahcapital.com). The distribution policy of the Fund is current as at the date of this PDS and may be subject to change from time to time.

## 7. Managing risk

All investments carry risks. Different investment strategies may carry different levels of risk, depending on the assets acquired under the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The significant risks below should be considered in light of your risk profile when deciding whether to invest in the Fund. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets and your risk tolerance.

The Responsible Entity, Investment Manager and the Portfolio Manager do not guarantee the liquidity of the Fund's investments, repayment of capital or any rate of return or the Fund's investment performance. The value of the Fund's investments will vary. Returns are not guaranteed, and you may lose money by investing in the Fund. The level of returns will vary and future returns may differ from past returns. Laws affecting managed investment schemes may change in the future. The structure and administration of the Fund is also subject to change.

In addition, we do not offer advice that takes into account your personal financial situation, including advice about whether the Fund is suitable for your circumstances. If you require personal financial or taxation advice, you should contact a licensed financial adviser and/or taxation adviser.

### Significant Risks

#### Counterparty risk

Institutions, such as brokerage firms, banks, and broker-dealers, may enter into transactions with the Portfolio Manager of the Fund in relation to the sale and purchase of assets or securities. Such institutions may also be issuers of the securities or bonds in which the Fund invests. Bankruptcy, fraud, regulatory sanction or a refusal to complete a transaction at one of these institutions could significantly impair the operational capabilities or the capital position of the Fund. While the Responsible Entity uses reasonable efforts to mitigate such risks, there can be no guarantee that transactions between such counterparties will always be honoured. A default on a financial commitment could result in a financial loss to the Fund.

#### Currency risk

The Fund seeks to offer investors exposure to assets denominated in multiple currencies. The Portfolio Manager will manage the Fund's currency risk through the use of foreign exchange transactions such that at purchase the Fund's currency exposure is fully hedged into Australian dollars. Although the Portfolio Manager aims to fully hedge currency exposures within the Fund they may not be hedged perfectly.

Currency movements may adversely affect the value of the Fund's investments and the income from those investments.

#### 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 illiquidity of the derivative and counterparty credit risk.

#### Financial instruments risk

A derivative is any financial product that derives its value from another security, index or liability. The Fund uses Derivatives to take investment positions and to manage (or 'hedge') risk. Their use is central to the investment strategy of the Fund.

Derivatives use attracts certain risks including the value of a Derivative failing to move in line with the underlying asset, potential illiquidity of a Derivative, the Fund not being able to meet payment obligations as they arise, leverage (or gearing) resulting from the position and counterparty risk (counterparty risk is where the other party to the Derivative cannot meet its obligations).

Specialist professionals are employed to help manage the Fund and have a thorough understanding of the financial instruments it invests in. The Portfolio Manager deals with issuers and counterparties it considers to be reputable. The Portfolio Manager manages the Fund so that assets are available to meet Derivatives liabilities.

Unfortunately, using Derivatives to reduce the Fund's risks is not always successful, is not always used to offset all relevant risk, and is sometimes not cost effective or practical to use.

Derivatives may also result in leverage: see below for details.

### ESG and Governance risk

The Portfolio Manager may take into account environmental, social and governance issues in the management of the Fund with the intention of helping to reduce certain potential credit risks and enhance relative performance of certain asset classes. Be aware that the Portfolio Manager's policy may not take into account all labour standards, environmental, social and ethical considerations, and that any assessment of what is or is not such a factor and should or need not be taken into consideration is subjective. Remember that the Portfolio Manager's policy can change, and that investing having regard to such factors may not result in environmental, social or governance outcomes improving or desired investment outcomes being achieved. Investments may form part of the portfolio even though they do not meet such standards.

### Foreign investment risk

Exposure to securities, hybrids or derivative instruments issued overseas may include certain risks associated with:

- differences in trading, settlement and clearing procedures that may restrict trading (as a result of suspensions or daily quotas), increase default or market operational risks or require securities to be held on a beneficial basis via a depository nominee;
- currency risk, the risk that foreign currencies change in value relative to the Australian dollar, which may affect the Fund's investment returns. These movements may either add to or subtract from performance. Passive currency management may be undertaken, however, it may not be possible to perfectly match performance of the hedging relative to that of its benchmark. Additionally, active currency management may be undertaken from time to time, with a view to manage risk and return. Currency management can result in capital losses and investment returns are not guaranteed;
- countries may be subject to considerable degrees of market volatility, economic, political and social instability, which may reduce or preclude the ability to trade security exposures or negatively affect a security's value; and
- differences in accounting, financial reporting, taxation, legal, regulatory, liquidity and pricing practices that are subject to change and if so may adversely affect the Fund.

### iNAV risk

The iNAV published by the Fund is indicative only and might not accurately reflect the underlying value of the Class. As a consequence the Fund may be subject to market making risk.

## Information risk

We are committed to ensuring that your information is kept secure and protected from misuse and loss and from unauthorised access, modification and disclosure. We use the internet in operating the Fund, and may store records in a cloud system. If stored overseas, different privacy and other standards may apply there.

The internet does not, however, always result in a secure information environment and although we take steps we consider reasonable to protect your information, we cannot absolutely guarantee its security.

## International risk

The Fund invests primarily in government and corporate bonds issued by entities domestically and overseas. International investments may be more affected by political and economic uncertainties, lower regulatory supervision, movements in currency and interest rates and possibly more volatile, less liquid markets. These factors can influence the Fund's investments.

The Fund may have some foreign currency exposure, which the Portfolio Manager normally seeks to minimise or hedge but may not always be successful in doing so. Changes in exchange rates can cause the value of the Fund to rise and fall.

## Interest rate risk

This is the risk that changes in interest rates can have a negative impact on certain investment values or returns. Reasons for interest rates changes are many and include variations in inflation, economic activity and central bank policies.

The Fund aims to benchmark its interest rate exposure to that of the Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD), which may be a source of interest rate risk.

## Investment and credit risk

This is the risk that the value of an individual investment in the Fund may change or become more volatile, potentially causing a reduction in the value of the Fund and increasing its volatility. This may be because, amongst many other things, there are changes in the government or bank policies, the Investment Manager's or Portfolio Manager's operations or management, or business environment, or a change in perceptions of the risk of any investment. Various risks may lead to the issuer of the investment defaulting on its obligations and reducing the value of the investment to which the Fund has an exposure.

Since the Fund may employ leverage and Derivatives, these risks may be further amplified and losses worse than those experienced in investments that do not use leverage or Derivatives.

Certain assets may be pledged or otherwise encumbered to a broker that will facilitate the provision of leverage to the Fund. Should the Fund default on its obligations to such a broker the Fund may have assets under pledge seized by the broker to make up losses in trading positions.

## Investment manager risk

Investment managers can be wound up or liquidated, they can cease to manage the relevant fund and be replaced, their investment methodology can change, they can poorly manage operational risks and their funds can perform poorly. If any of these occurred, Equity Trustees would do all things reasonably practicable to recover the value of the Fund's investments and seek a new investment manager or program, with a similar investment profile, if thought appropriate. If the investment program changed significantly, you would be given at least 30 days' notice before those changes come into effect. Further, only a small number of investment professionals between the

Investment Manager and Portfolio Manager are responsible for managing the Fund and their personal circumstances can change. We aim to reduce this risk by having additional resources available through Equity Trustees as needed.

## Leverage risk

The Fund may be exposed to investment strategies that use leverage. The exposure of a leveraged portfolio to movements in the instruments and markets in which it invests can be greater than the value of the assets within the portfolio. Therefore, if a leveraged portfolio generates a positive return, the returns will be greater than the returns generated by an equivalent unleveraged portfolio. Similarly, if the investments generate a negative return, the losses will be greater than the losses generated by an equivalent unleveraged portfolio.

At its core the use of leverage is applied against liquid, investment grade government and corporate bonds. The Portfolio Manager has set leverage limits and other exposure limits to assist with risk management, which is overseen by the Portfolio Manager's independent compliance committee. The Portfolio Manager will monitor the leverage ratio and exposure to OTC Derivative counterparties on a daily basis and make adjustments to ensure maximum leverage is not exceeded. For further information on the Fund's use of leverage, including exposure limits, see "Leverage" under Section 5.

## Liquidity of investments risk

Whilst the Fund is exposed to bonds 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 Fund 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.

## 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. Investors will not be able to purchase or sell Units on the Securities Exchange during any period that Securities Exchange suspends trading of Units in the Class.

## Market making risk

The Responsible Entity has appointed a market maker to provide liquidity to investors on the Securities Exchange by acting as a buyer and seller of Units in the Class. Whilst the Responsible Entity will monitor its market maker(s) ability to maintain continuous liquidity in the market, there is a risk that the market maker may not always be able to make a market in times of uncertainty.

If a market maker defaults on its obligations, the Responsible Entity may seek to replace the market maker, although the arrangements with the market maker may limit or exclude any liability on the part of the market maker.

Further, there is a risk to transacting investors that unit prices determined using the MPI disclosure model during the Trading Day will not accurately represent the value of Units. This risk could arise due to, for example, market volatility or stale prices in the underlying assets. Investors must rely on the expertise of the Responsible Entity, the Investment Manager, Portfolio Manager and the market maker to determine a proxy basket and bid/ask prices that will accurately track all material price movements of the portfolio. Refer to section 6 About the Fund and Units and section 13 Other Information for additional information on the market making model and asset disclosures.

## Market risk

This is the risk that an entire market, country or economy (such as Australia) changes in value or becomes more volatile, including the risk that the purchasing power of the currency changes (either through inflation or deflation), potentially causing a reduction in the value of the Fund and increasing its volatility. This may be because, amongst many other things, there are changes in economic, financial, technological, political or legal conditions, natural and manmade disasters, conflicts and changes in market sentiment.

## Pandemic and other unforeseen event risk

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on the economies and financial markets either in specific countries or worldwide and consequently on the value of the Fund's investments. Further, under such circumstances the operations, including functions such as trading and valuation, of the Investment Manager, Portfolio Manager and other service providers could be reduced, delayed, suspended or otherwise disrupted.

## Ratings risk

The assets in which the Fund invests may or may not have been assigned credit ratings by independent ratings agencies. A ratings downgrade could significantly reduce the value of an investment and impact the value of the Units of the Fund. Credit ratings do not guarantee the credit quality of a security, its underlying assets, or its repayment, and may be re-assessed by ratings agencies in a range of circumstances. Ratings agencies can make mistakes. The Investment Manager seeks to minimise this risk by assessing the credit risks inherent in any investments it makes.

## Structure risk

This is the risk associated with having someone invest for you.

Risks associated with investing in the Fund include that it could be closed and your money returned to you at the prevailing valuations at that time, there can be a change in the Responsible Entity or at the Investment Manager or Portfolio Manager (for example if key individuals were no longer involved in managing the Fund), someone involved with your investment (even remotely) does not meet their obligations or perform as expected, assets may be lost, not recorded properly or misappropriated, laws may adversely change, insurers may not pay when expected, systems may fail or insurance may be inadequate. Investment decisions by investment managers are not always successful.

Investing through an administration platform also brings some risks that the operator of the administration platform may not perform its obligations properly.

Investing in the Fund may give inferior results compared to investing directly.

## Short selling risk

The Fund may be exposed to short selling. Short selling allows the holder of a short position to profit from declines in market prices to the extent such declines exceed the transaction costs and the costs of borrowing the securities. A short sale creates the risk of an unlimited loss, as the price of the underlying security could theoretically increase without limit, thus increasing the cost of covering the short position. Furthermore,

covering a short position may include activities which increase the price of the security (or the reference security if in a derivative contract) thereby exacerbating any loss.

The Portfolio Manager seeks to manage the risks associated with short selling through its portfolio construction processes. Short positions are periodically rebalanced, so as to reduce the risk of substantial changes in the price of the short security and exposure limits may be imposed with regards to single stock positions, in order to mitigate potential losses. When a short position is established through a derivative contract, the position may give rise to the risks detailed under "derivative risk".

## The Class may be removed from quotation by the Securities Exchange Operator or terminated.

The Securities Exchange Operator imposes certain requirements for the continued quotation of securities, such as the Units, on the Securities Exchange. Investors cannot be assured that the Fund 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 Fund 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 Fund on the Securities Exchange is set out in Section 11 of this PDS.

## Trading price of Units may differ from NAV or iNAV per Unit

As with any exchange traded managed fund, it is possible that the trading price of Units on the Securities Exchange may differ from the NAV or iNAV per Unit. The trading price is dependent on a number of factors including the demand for and supply of Units, investor confidence, the availability of the market maker services during the course of the Trading Day, and the bid-offer spread charged by the market maker.

Periods of increased market volatility or disruptions to the market making function may result in wider bid-offer spreads for Units and trading prices that differ significantly from the Class's NAV per Unit. The risk may be higher in the period shortly after the Securities Exchange opens for trading and near the close of trading. If an investor purchases Units at a time when the market price is at a premium to NAV per Unit, then the investor may sustain losses. Investors should consider placing "limit orders" to reduce the risk of trading at an unfavourable environment.

## Valuation risk

The value of the Fund's underlying investments, as obtained from independent valuation sources, may not accurately reflect the realisable value of those investments. The Fund seeks to reduce this risk by having all the assets of the Fund valued independently on a daily basis and wherever possible using market prices.

## Volatility risk

Markets can be volatile. Investing in volatile conditions usually implies a greater level of risk for investors than an investment in a more stable market.

The Portfolio Manager uses sophisticated techniques with the goal of regularly measuring and managing volatility, and the Fund's losses in extreme shocks.

## Managing risk

As risk cannot be entirely avoided when investing, the Fund aims to identify and manage risk as far as is practicable.

Whenever investments are made, the potential for returns in light of the likely risks involved are assessed.

Risk is considered throughout the investment process and level of the investment process. As far as is practicable, risk is managed at both the individual investment and the Fund level.

The Fund seeks to manage risk as far as is practicable through:

- taking long or short positions in relation to assets which are considered mispriced, with the goal to generate capital gain rather than simply chasing yield by focusing on duration, credit and/or illiquidity risk,
- focusing on holding securities that are liquid during normal market conditions,
- investing in securities that have relatively low expected probabilities of default and loss, and
- utilising internal and external risk management overlays that monitor the Fund's compliance with its mandate.

However, many risks are difficult or impracticable to manage effectively and some risks are beyond our and the Investment Manager's and Portfolio Manager's control altogether.

### Performance Risk

There can be no assurance that the Class will achieve its objectives. Further, future performance depends upon a number of factors with the control of the Portfolio Manager, including its ability to manage the Fund's investment strategy, and to grow the funds under management in the Fund. An outline of the Portfolio Manager's and the experience of the key individual's managing the Fund can be found in Section 4.

### Risk generally

The significant risks of investing in managed investment schemes generally include the risks that:

- the value of investments will vary, the level of returns will vary, and future returns will differ from past returns,

- returns are not guaranteed and investors may lose some or all of their money, and
- laws change.

The level of risk for you particularly will vary depending on a range of other factors, including age, investment time frame, how other parts of your wealth are invested, and your risk tolerance. If you are unsure whether this investment is suitable for you, we recommend you consult a financial adviser. If you have questions about the Fund, feel free to call the Investment Manager or Administrator.

Further information about the risks of investing in managed investment schemes can be found on ASIC's MoneySmart website at [www.moneysmart.gov.au](http://www.moneysmart.gov.au).

### Risk measure

The Investment Manager considers that the "standard risk measure" for this Fund is a medium risk rating, which means that the estimated number of negative annual returns over any 20-year period is 2 to less than 3. On a scale of 1 to 7 where 7 is riskiest in this respect, the Fund is in category 4.

The standard risk measure is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period. It is not a complete assessment of all forms of investment risk, 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 an investor may require to meet their objectives. Further, it does not take into account the impact of fees and tax on the likelihood of a negative return.

Investors should still ensure they are comfortable with the risks and potential losses associated with the Fund.

## 8. Applications and Withdrawals on the Securities Exchange

### Applications via the Securities Exchange

Once the Units are quoted on the Securities Exchange, Investors can invest in the Class by buying Units through a broker who will settle the buy order on the CHESSE settlement service. Application Forms are not required to be completed and there is no minimum investment amount. The price applied to the investor's buy order will be the market price at the time of purchase as reflected by the price at which they have bought Units on the Securities Exchange.

### Withdrawing via the Securities Exchange

Once the Units are quoted on the Securities Exchange, Investors can withdraw from the Class by selling Units through a broker who will settle the sell order on the CHESSE settlement service. Withdrawal forms are not required to be completed and there is no minimum withdrawal amount. The exit price applied to the investor's sell order will be the market-price as reflected by the price at which they have sold Units on the Securities Exchange. You are only able to withdraw whole Units and any residual Units will be cancelled and become the assets of the Fund.

You will not be able to sell if trading in the Units is suspended or there are insufficient buyers of the Units. The Responsible Entity has appointed a market maker to provide liquidity to investors on the Securities Exchange by buying and selling Units, however

there is no guarantee that you will be able to sell your Units on the Securities Exchange on a particular day.

### Off-market withdrawal rights

In the event that trading in the Units on the Securities Exchange has been suspended for five consecutive Business Days, investors may be able to apply to the Responsible Entity directly to make an off-market withdrawal request. Investors can request a withdrawal form by contacting the Unit Registry.

The off-market withdrawal process, including the calculation of the NAV per Unit, applies only when the Fund is 'liquid' (within the meaning given to that term in the Corporations Act). The Responsible Entity is not obliged to make such offers.

There may be other circumstances where off-market withdrawals from the Fund are suspended and investors may have to wait a period of time before they can make a withdrawal, including where the Fund is being wound up or where the Responsible Entity suspends withdrawals in accordance with the constitution.

A sell spread may apply where this right is exercised. Unitholders who withdraw from the Class off-market will receive the withdrawal price, calculated by deducting the sell spread from the Class NAV price per Unit. No minimum withdrawal amounts apply in these circumstances.

## 9. Keeping track of your investment

### Complaints resolution

Equity Trustees has an established complaints handling process and is committed to properly considering and resolving all complaints. If you have a complaint about your investment, please contact us on:

Phone: 1300 133 472  
Post: Equity Trustees Limited  
GPO Box 2307, Melbourne VIC 3001  
Email: [compliance@eqt.com.au](mailto:compliance@eqt.com.au)

We will acknowledge receipt of the complaint within 1 Business Day or as soon as possible after receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 30 calendar days after receiving the complaint.

If you are not satisfied with our response to your complaint, you may be able to lodge a complaint with the Australian Financial Complaints Authority ("AFCA").

Contact details are:  
Online: [www.afca.org.au](http://www.afca.org.au)  
Phone: 1800 931 678  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Post: GPO Box 3, Melbourne VIC 3001.

The external dispute resolution body is established to assist you in resolving your complaint where you have been unable to do so with us. However, it's important that you contact us first.

### Reports

We will make the following statements available to all investors;

- A transaction confirmation statement, showing a change in your unit holding (provided when a transaction occurs or on request).
- The Fund's annual audited accounts for each period ended 30 June.
- Annual distribution, tax and confirmation of holdings statements for each period ended 30 June.
- Annual report detailing each of the following:
  - the actual allocation to each asset type;
  - the liquidity profile of the portfolio assets as at the end of the period;
  - the maturity profile of the liabilities as at the end of the period;
  - the derivative counterparties engaged (including capital protection providers);
  - the leverage ratio (including leverage embedded in the assets of the Fund, other than listed equities and bonds) as at the end of the period; and
  - the key service providers if they have changed since the latest report given to investors, including any change in their related party status.

The latest annual report will be available online from [www.coolabahcapital.com](http://www.coolabahcapital.com). Please note that Indirect Investors who access the Class through an IDPS will receive reports directly from the IDPS Operator and not from the Responsible Entity. However, Equity Trustees will be providing the reports described above to relevant IDPS Operators. Indirect Investors should refer to their IDPS Guide for information on the reports they will receive regarding their investment.

The Fund has adopted the Material Portfolio Information (MPI) disclosure model. As the Fund is actively managed, the Investment Manager considers portfolio holdings information to be valuable intellectual property. Portfolio holdings are therefore disclosed on a delayed basis in accordance with the

MPI framework, which the Responsible Entity considers to be in the best interests of unitholders. The following information will be available on the Investment Manager's website, the Administrator's online portal and/or is disclosed monthly:

- the current total NAV of the Fund and Class and the withdrawal value of a unit in each class of units as at the date the NAV was calculated, updated daily;
- The iNAV will be published throughout the Trading Day;
- The 'proxy basket', available daily;
- The tracking performance between the proxy basket and the full portfolio holdings for the Fund on a quarterly basis;
- The full portfolio holdings at least quarterly with a delay of no more than two months;
- The number of individual Units on issue in relation to the last Trading Day in that month, published within 5 days of the end of that month;
- When the total notional value of more than 5% of the Fund's NAV comprises OTC derivatives, the total percentage of notional derivative exposure to the Fund's NAV will be disclosed to the market within 5 Business Days of the end of that month;
- the monthly or annual investment returns over at least a five-year period (or, if the Fund has not been operating for five years, the returns since its inception);
- any change to key service providers if they have changed since the last report given to investors, disclosed monthly;
- for each of the following matters since the last report on those matters, disclosed monthly:
  - the net return on the Class's assets after fees, costs and taxes;
  - any material change in the Fund's risk profile;
  - any material change in the Fund's strategy; and
  - any change in the individuals playing a key role in investment decisions for the Fund.

By applying to invest in the Fund, you agree that, to the extent permitted by law, any periodic information which is required to be given to you under the Corporations Act or ASIC policy can be given to you by making that information available on Equity Trustees' or the Investment Manager's website.

If the Fund's management activities cause the last reported NAV of the Class to move more than 10% we will immediately disclose the NAV to the Securities Exchange (and such disclosures will also be available on [www.coolabahcapital.com](http://www.coolabahcapital.com)).

### Additional disclosure information

As a disclosing entity the Fund will be subject to regular reporting and disclosure obligations. Investors would have a right to obtain a copy, free of charge, of any of the following documents:

- the most recent annual financial report lodged with ASIC ("Annual Report");
- any subsequent half yearly financial report lodged with ASIC after the lodgement of the Annual Report; and
- any continuous disclosure notices lodged with ASIC after the Annual Report but before the date of this PDS.

Equity Trustees will comply with any continuous disclosure obligation by lodging documents with ASIC and the Securities Exchange Operator as and when required.

Copies of these documents lodged with ASIC in relation to the Fund may be obtained through ASIC's website at [www.asic.gov.au](http://www.asic.gov.au).

## 10. 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 investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

### TO FIND OUT MORE

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

### Fees and other costs

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

Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

### Fees and Costs Summary

| Coolabah Active Global Bond Complex ETF  |  |   |
|--|--|---|
| Type of fee or cost  | Amount                                     | How and when paid   |
| <b>Ongoing annual fees and costs<sup>1</sup></b>   |  |   |
| <i>Management fees and costs</i><br>The fees and costs for managing your investment                                | 0.65% of the NAV of the Class <sup>2</sup> | The management fees component of management fees and costs are accrued daily and paid from the Class monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Class as they are incurred. The management fees component of management fees and costs can be negotiated. Please see "Differential fees" in the "Additional Explanation of Fees and Costs" for further information. |
| <i>Performance fees</i><br>Amounts deducted from your investment in relation to the performance of the product     | 0.14% of the NAV of the Class <sup>3</sup> | Performance fees are calculated daily and paid semi-annually in arrears at 30 June and 31 December from the Class and reflected in the unit price.  |
| <i>Transaction costs</i><br>The costs incurred by the scheme when buying or selling assets                         | 0.02% of the NAV of the Class <sup>2</sup> | Transaction costs are variable and deducted from the Class as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the Buy/Sell Spread.  |
| <b>Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)</b> |  |   |
| <i>Establishment fee</i><br>The fee to open your investment  | Not applicable                             | Not applicable  |
| <i>Contribution fee</i><br>The fee on each amount contributed to your investment                                   | Not applicable                             | Not applicable  |

## Coolabah Active Global Bond Complex ETF

|  |   |   |
|--|---|---|
| <p><i>Buy/Sell Spread</i></p> <p>An amount deducted from your investment representing costs incurred in transactions by the scheme</p> | <ul style="list-style-type: none"> <li>Buying units on the Securities Exchange: Determined by market participants.</li> </ul> | <p>These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Class and are not separately charged to the investor. The Buy Spread is paid into the Class as part of an application and the Sell Spread is left in the Class as part of a redemption.</p> |
| <p><i>Withdrawal fee</i></p> <p>The fee on each amount you take out of your investment</p>   | Not applicable  | Not applicable  |
| <p><i>Exit fee</i></p> <p>The fee to close your investment</p>   | Not applicable  | Not applicable  |
| <p><i>Switching fee</i></p> <p>The fee for changing investment options</p>   | Not applicable  | Not applicable  |

<sup>1</sup> All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below for more details as to how management costs are calculated.

<sup>2</sup> The indirect costs component of management fees and costs and transaction costs is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12-month period. Please see "Additional Explanation of Fees and Costs" below.

<sup>3</sup> This represents the performance fee of the Fund which is payable as an expense of the Fund to the Investment Manager. The performance fee is calculated by reference to a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period. See "Performance fees" below for more information.

### Additional Explanation of fees and costs

#### What do the management costs pay for?

The management fees and costs include amounts payable for administering and operating the Fund, investing the assets of the Fund, expenses and reimbursements in relation to the Fund and indirect costs if applicable.

Management fees and costs do not include performance fees or transaction costs, which are disclosed separately.

The management fees component of management fees and costs of 0.65% p.a. of the NAV of the Class is payable to the Responsible Entity of the Fund for managing the assets and overseeing the operations of the Fund. The management fees component is accrued daily and paid from the Class monthly in arrears and reflected in the unit price. As at the date of this PDS, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 0.00% p.a. of the NAV of the Class may include other ordinary expenses of operating the Fund, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Fund invests and the costs of investing in over-the-counter derivatives to gain investment exposure to assets or implement the Fund's investment strategy. The indirect costs and other expenses component is variable and reflected in the unit price of the Class as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or Investment Manager. The indirect costs and other expenses component is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12-month period.

In relation to the costs that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager.

Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this PDS, updates will be provided on Equity Trustees' website at [www.eqt.com.au/insto](http://www.eqt.com.au/insto) where they are not otherwise required to be disclosed to investors under law.

#### Performance fees

Performance fees include amounts that are calculated by reference to the performance of the Fund. The performance fees for the Class are 0.14% of the NAV of the Class. As the Class was first offered in the current financial year, the performance fee figure that is disclosed in the Fees and Costs Summary is calculated by reference to a reasonable estimate of the performance fee for the current financial year, adjusted to reflect a 12-month period.

In relation to the performance fees that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager.

In terms of the performance fees payable to the Investment Manager, a performance fee is payable where the investment performance of the Fund exceeds the performance of the Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD) plus management fees 0.65% p.a. (Benchmark), provided that the high-water mark is also exceeded. The performance fees are 20.5% of this excess, calculated daily and paid semi-annually in arrears from the Fund and calculated based on a gross return basis using the beginning NAV over the relevant period. No performance fees are payable until any accrued underperformance (in dollar terms) from prior periods has been made up (this feature is sometimes referred to as a high-water mark). The high-water mark calculation is the cumulative return of the Fund, including distributions but before performance fees, since inception.

Please note that the performance fees disclosed in the Fees and Costs Summary is not a forecast as the actual performance fee for the current and future financial years may differ. The

Responsible Entity cannot guarantee that performance fees will remain at their previous level or that the performance of the Fund will outperform the Benchmark.

It is not possible to estimate the actual performance fee payable in any given period, as we cannot forecast what the performance of the Fund/Class will be. Information on current performance fees will be updated from time to time and available at [www.eqt.com.au/insto](http://www.eqt.com.au/insto).

### Performance fee example

The example below is provided for illustrative purposes only and does not represent any actual or prospective performance of the Fund. We do not provide any assurance that the Fund will achieve the performance used in the example and you should not rely on this example in determining whether to invest in the Fund.

The below is an example of the Performance fee expense using annualised percentage calculations over the Performance fee period. The actual Performance fee will be payable semi-annually.

Assumptions:

- The return of the Benchmark from the start of the performance fee period to the end of the performance fee period is 1.00%;
- the Fund's performance hurdle for the performance fee period is 1.65% (1.00% plus 0.65%);
- the Fund's 'investment return' for the performance fee period is 5.00%;
- the Fund's 'investment return' for the performance fee period is assumed to accrue evenly over the course of the performance fee period; and
- there are no accrued Fund losses from the previous performance fee period to be carried forward.

On the basis of the above assumptions and if you had an investment in the Fund of \$50,000 at the beginning of the performance fee period and no withdrawals were effected during the performance fee period, your investment would bear a performance fee expense of approximately \$343.38 (Based on outperformance of 3.35% (5.00% - 1.65%) above 'performance hurdle' x performance fee 20.5% x \$50,000 investment = \$343.38) for the performance fee period.

Please note that the 'investment return' specified in this example:

- is only an example to assist investors to understand the effect of the performance fee expense on the investment return of the Fund; and
- is not a forecast of the expected investment return for the Fund.

### Transaction costs

In managing the assets of the Fund, the Fund may incur transaction costs such as brokerage, Buy-Sell Spreads in respect of the underlying investments of the Fund, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold, and the costs of over-the-counter derivatives that reflect transaction costs that would arise if the Fund held the ultimate reference assets, as well as the costs of over-the-counter derivatives used for hedging purposes. Transaction costs also include costs incurred by interposed vehicles in which the Fund invests (if any), that would have been transaction costs if they had been incurred by the Fund itself. Transaction costs are an additional cost to the investor where they are not recovered by the Buy/Sell Spread, and are generally incurred when the assets of the Fund are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Class.

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Fund will incur when buying or selling the underlying assets attributable to applications and withdrawals for the Class. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Class and are not separately charged to the investor. The Buy Spread is paid into the Class as part of an application and the Sell Spread is left in the Class as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is nil upon entry and nil upon exit. The dollar value of these costs based on a withdrawal of \$1,000 is \$0 for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time and [www.coolabahcapital.com](http://www.coolabahcapital.com) will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

Transaction costs generally arise through the day-to-day trading of the Class's assets and are reflected in the Class's unit price as an additional cost to the investor, as and when they are incurred.

The gross transaction costs for the Class are 0.03% p.a. of the NAV of the Class, which is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12-month period.

In relation to the costs that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager.

However, actual transaction costs for future years may differ.

### 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.

### Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled is 4.00% of the GAV of the Fund. However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly, without notice.

### Payments to IDPS Operators

Subject to the law, annual payments may be made to some IDPS Operators because they offer the Fund on their investment menus. Product access is paid by the Investment Manager out of its investment management fee and is not an additional cost to the investor.

### Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients. Please contact the Investment Manager on 1300 901 711 for further information.

## Taxation

Please refer to Section 13 of the Product Disclosure Statement for further information on taxation.

### Example of annual fees and costs for an investment option

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

| EXAMPLE – Coolabah Active Global Bond Complex ETF                  |            |   |
|--|------------|---|
| BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR |            |   |
| Contribution Fees  | Nil        | For every additional \$5,000 you put in, you will be charged \$0  |
| <b>Plus</b><br>Management fees and costs                           | 0.65% p.a. | <b>And</b> , for every \$50,000 you have in the Coolabah Active Global Bond Complex ETF you will be charged or have deducted from your investment \$325 each year   |
| <b>Plus</b><br>Performance fees                                    | 0.14% p.a. | <b>And</b> , you will be charged or have deducted from your investment \$70 in performance fees each year   |
| <b>Plus</b><br>Transaction costs                                   | 0.02% p.a. | <b>And</b> , you will be charged or have deducted from your investment \$10 in transaction costs  |
| <b>Equals</b><br>Cost of Coolabah Active Global Bond Complex ETF   |            | 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 and costs of: \$405*<br><b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b> |

\* Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to you such as the Buy/Sell Spread.

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

**Warning: If you have consulted a financial adviser, you may pay additional fees. You should refer to the Statement of Advice or Financial Services Guide provided by your financial adviser in which details of the fees are set out.**

ASIC provides a fee calculator on [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which you may use to calculate the effects of fees and costs on account balances. The performance fees stated in this table are based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12-month period. The performance of the Class for this financial year, and the performance fees, may be higher or lower or not payable in the future. It is not a forecast of the performance of the Fund or the amount of the performance fees in the future.

The indirect costs and other expenses component of management fees and costs and transaction costs may also be based on estimates. As a result, the total fees and costs that you are charged may differ from the figures shown in the table.

# 11. About the Securities Exchange and CHESS

## Securities Exchange Rules Framework

An application has been made to the Securities Exchange Operator" for the Units in the Fund to be admitted for trading status on the Securities Exchange under the Securities Exchange Rules). The Securities Exchange Rules are accessible at <https://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 ASX Listing Rules and the Securities Exchange Rules

| Requirement           | ASX Listing Rules  | Securities Exchange Rules   |
|-----------------------|--|---|
| Control               | <p>An issuer controls the value of its own securities and the business it runs.</p> <p>The value of those securities is directly influenced by the equity issuer's performance and conduct. e.g. the management and board generally control the fate of the business and, therefore, have direct influence over the share price.</p> | <p>An issuer of a product quoted under the Securities Exchange Rules does not control the value of the assets underlying its product. It offers a product that gives investors exposure to underlying assets – such as shares, bonds, indices, currencies or commodities.</p> <p>The value (price) of products quoted under the Securities Exchange Rules is dependent on the performance of the underlying assets rather than the financial performance of the issuer itself e.g. a managed fund issuer does not control the value of the shares it invests in.</p>  |
| Continuous disclosure | <p>Issuers are subject to continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.</p>   | <p>Issuers of products quoted under the Securities Exchange Rules are not subject to the continuous disclosure requirements in ASX Listing Rule 3.1 and section 674 of the Corporations Act.</p> <p>However, the Securities Exchange Rules requires that an issuer of a product quoted under the Securities Exchange Rules must provide to the Securities Exchange with any information that is not generally available and which may lead to a false market in that product or would otherwise impact on its price. In addition, issuers of products quoted under the Securities Exchange Rules must disclose information about:</p> <ul style="list-style-type: none"> <li>• information about the NAV of the Fund's underlying investments daily;</li> <li>• information about withdrawals from the Fund;</li> <li>• information about distributions paid in relation to the Fund;</li> <li>• any other information that is required to be disclosed to ASIC under s675, s1017B or would be required under s323DA of the Corporations Act if the product was listed, must be disclosed to ASX via the ASX market announcement platform at the same time it is disclosed to ASIC; and</li> <li>• immediately disclose the NAV whenever the activities of the Investment Manager or Portfolio Manager cause the NAV to move by more than 10% since the last reported NAV.</li> </ul> |

|                            |   |  |
|----------------------------|---|--|
| Periodic disclosure        | <p>Issuers are required to disclose half-yearly and annual financial information and reports to the ASX announcements platform.</p>   | <p>Issuers of products quoted under the Securities Exchange Rules are not required to disclose their half yearly and annual financial information or annual reports.</p> <p>Issuers of products quoted under the Securities Exchange Rules that are registered managed investment schemes are, however, still required to lodge financial reports for those managed investment schemes with the Securities Exchange at the same time as they are provided to ASIC and investors. As at the date of this PDS, Equity Trustees as an issuer of a product quoted under the Securities Exchange Rules is required to disclose:</p> <ul style="list-style-type: none"> <li>• within 5 Trading Days of the end of each month, the total number of individual Units on issue on the last Trading Day of that month; and</li> <li>• in the case where the Fund's aggregate notional exposure to all OTC derivatives is greater than 5% of the Fund's NAV, within 5 Business Days of the end of each month: <ul style="list-style-type: none"> <li>• the exposure of the Fund to all OTC derivative counterparties as a percentage of the NAV of the Fund; and</li> <li>• the value of the assets (excluding the value of OTC derivatives, but inclusive of collateral) held by the Fund as a percentage of the NAV of the Fund.</li> </ul> </li> </ul> |
| Corporate control          | <p>Listed companies and listed managed investment schemes are subject to notification requirements under the Corporations Act and the ASX Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.</p> | <p>Certain requirements in the Corporations Act and the ASX Listing Rules in relation to matters such as takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings that apply to companies and listed schemes do not apply to products quoted under the Securities Exchange Rules.</p> <p>Section 601FM of the Corporations Act continues to apply in relation to the removal of a responsible entity by extraordinary resolution by the members entitled to vote.</p>  |
| Related Party transactions | <p>Chapter 10 of the ASX 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>  | <p>Chapter 10 of the ASX 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.

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.

An auditor will be appointed by the Responsible Entity to audit the financial statements and Compliance Plan of the Fund under section 601HG of the Corporations Act.

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## About CHES

The Responsible Entity participates in the Clearing House Electronic Sub-Register System ("CHES"). CHES 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 CHES on behalf of the Responsible Entity. The Responsible Entity will not issue investors with certificates in respect of their Units. Instead, when investors purchase Units on the Securities Exchange, they will receive a holding statement from the Unit registry which will set out the number of Units they hold. The holding statement will specify the "Holder Identification Number" or "Shareholder Reference Number" allocated by CHES. Subject to the Securities Exchange Rules, the Responsible Entity may decline to register a purchaser of a Unit or Units.

## 12. Taxation

### Taxation

The following information summarises some of the Australian taxation issues you may wish to consider before making an investment in the Fund and assumes that you hold your investment in the Fund on capital account and are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale. The information should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ.

It is recommended that investors seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

#### General

The Fund is an Australian resident trust for Australian tax purposes. Therefore, the Fund is required to determine its net income (taxable income) for the year of income. On the basis that investors are presently entitled (which is the intention of Equity Trustees) to the net income of the Fund (including net taxable capital gains) or will be attributed their share of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund and the Fund is not a public trading trust, the Fund should be treated as a flow-through trust for tax purposes. This means that investors should be taxed on their share of the Fund's net taxable income or the amount attributed to them, and the Fund should generally not be liable to pay Australian income tax.

In the case where the Fund makes a loss for Australian tax purposes, the Fund cannot distribute the tax loss to investors. However, the tax loss may be carried forward by the Fund for offset against taxable income of the Fund in subsequent years, subject to the operation of the trust loss rules.

#### Attribution Managed Investment Trust ("AMIT") – core rules

The Fund may qualify as an Attribution Managed Investment Trust (AMIT), and if so, intends to elect into the AMIT regime. The AMIT legislation applies an attribution model whereby Equity Trustees as the Responsible Entity of the Fund attributes amounts of trust components of a particular character to investors on a fair and reasonable basis consistent with the operation of the Fund's Constitution, which includes provisions in relation to AMIT. Under the AMIT rules, the following will apply:

**Fair and reasonable attribution** Each year, the Fund's determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) will be allocated to investors on a "fair and reasonable" attribution basis.

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

**Tax statements:** The Responsible Entity will provide an AMIT Member Annual ("AMMA") Statement to Unitholders for the income year with details of the amounts attributed to the Unitholder (known as "determined member components").

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

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

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

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

#### Deemed Capital Gains Tax ("CGT") Election

Eligible managed investment trusts ("MITs") may make an election to apply a deemed capital account treatment for gains and losses on disposal of certain eligible investments (including equities and units in other trusts but excluding debt securities and similar instruments). Where the election is made the Fund should hold its eligible investments on capital account and gains/(losses) from the disposal of eligible investments should be treated as capital gains/(losses). Capital gains arising on the disposal of eligible investments held for 12 months or greater may be eligible to be treated as discount capital gains.

Where the CGT election is not made, the Fund should hold its eligible investments on revenue account and gains/(losses) from the disposal of eligible investments should be treated as revenue gains or losses.

#### Controlled Foreign Company ("CFC") Provisions

There are certain tax rules (i.e. the CFC provisions) which may result in assessable income arising in the Fund in relation to investments in foreign equities, where certain control thresholds are met. If such interests were to be held at the end of the income year, the taxable income of the Fund may include a share of net income and gains (i.e. CFC attributable income) from such investments.

#### Taxation of Financial Arrangements ("TOFA")

The TOFA rules may apply to certain "financial arrangements" held by the Fund. In broad terms, the TOFA regime seeks to recognise "sufficiently certain" returns on certain financial arrangements on an accruals basis for tax purposes rather than on a realisation basis.

#### Taxation Reform

The tax information included in this PDS is based on the taxation legislation and administrative practice as at the issue date of this PDS, together with proposed changes to the taxation legislation as announced by the Government. However, the Australian tax system is in a continuing state of reform, and based on the Government's reform agenda, it is likely to escalate rather than diminish. Any reform of a tax system creates uncertainty as to the full extent of announced reforms, or uncertainty as to the meaning of new law that is enacted pending interpretation through the judicial process. These reforms may impact on the tax position of the Fund and its investors. Accordingly, it will be necessary to closely monitor the progress of these reforms, and investors should seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

## **Tax File Number (“TFN”) and Australian Business Number (“ABN”)**

It is not compulsory for an investor to quote their TFN or ABN. If an investor is making this investment in the course of a business or enterprise, the investor may quote an ABN instead of a TFN. Failure by an investor to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate, plus the Medicare Levy, on gross payments including distributions or attribution of income to the investor. The investor may be able to claim a credit in their tax return for any TFN or ABN tax withheld. Collection of TFNs is permitted under taxation and privacy legislation.

By quoting their TFN or ABN, the investor authorises Equity Trustees to apply it in respect of all the investor’s investments with Equity Trustees. If the investor does not want to quote their TFN or ABN for some investments, Equity Trustees should be advised.

### **GST**

The Fund is registered for GST. The issue or withdrawal of units in the Fund and receipt of distributions are not subject to GST.

The Fund may be required to pay GST included in management and other fees, charges, costs and expenses incurred by the Fund. However, to the extent permissible, the Responsible Entity will claim on behalf of the Fund a proportion of this GST as a reduced input tax credit (“RITC”) or input tax credit (“ITC”). Unless otherwise stated, fees and charges quoted in this PDS are inclusive of GST and take into account any available RITCs. The Fund may be entitled to as yet undetermined additional ITCs on the fees, charges or costs incurred. If the Responsible Entity is unable to claim RITCs or ITCs on behalf of the Fund, the remaining GST will be a cost to the Fund.

The impact of GST payments and credits will be reflected in the unit price of the Fund. Investors should seek professional advice with respect to the GST consequences arising from their unit holding.

## **Australian Taxation of Australian Resident Investors**

### **Distributions**

For each year of income, each Australian resident investor will be required to include within their own tax calculations and tax return filings the assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them by Equity Trustees as the Responsible Entity of the Fund.

The tax consequences for investors in the Fund depends on the tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them.

Investors will receive an Annual Tax Statement (or an “AMMA” for an AMIT) detailing all relevant taxation information concerning attributed amounts and cash distributions, including any Foreign Income Tax Offset (“FITO”) and franking credit entitlements, returns of capital, assessable income, and any downwards cost base adjustment in the capital gains tax cost base of their units in the Fund (or potentially upwards cost base adjustments in the capital gains tax cost base of their units in the case of an AMIT).

An investor may receive their share of attributed tax components of the Fund or net income in respect of distributions made during the year or where they have made a large withdrawal from the Fund, in which case their withdrawal proceeds may include their share of net income or attributed tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits). In addition, because Australian investors can move into and out

of the Fund at different points in time, there is the risk that taxation liabilities in respect of gains that have benefited past investors may have to be met by subsequent investors.

### **Foreign Income**

The Fund may derive foreign source income that is subject to tax overseas, for example withholding tax. Australian resident investors should include their share of both the foreign income and the amount of the foreign tax withheld in their assessable income. In such circumstances, investors may be entitled to a FITO for the foreign tax paid, against the Australian tax payable on the foreign source income. To the extent the investors do not have sufficient overall foreign source income to utilise all of the FITOs relevant to a particular year of income, the excess FITOs cannot be carried forward to a future income year.

### **Disposal of Units by Australian Resident Investors**

If an Australian resident investor transfers or redeems their units in the Fund, this may constitute a disposal for tax purposes depending on their specific circumstances.

Where an investor holds their units in the Fund on capital account, a capital gain or loss may arise on disposal and each investor should calculate their capital gain or loss according to their own particular facts and circumstances. As noted above, proceeds on disposal may include a component of distributable income. Generally, in calculating the taxable amount of a capital gain, a discount of 50% for individuals and trusts or 33 & 1/3% for complying Australian superannuation funds may be allowed where the units in the Fund have been held for 12 months or more. No CGT discount is available to corporate investors.

Any capital losses arising from the disposal of the investment may be used to offset other capital gains the investor may have derived. Net capital losses may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

## **Australian Taxation of Non-Resident Investors**

### **Tax on Income**

The Fund expects to derive income which may be subject to Australian withholding tax when attributed by Equity Trustees as the Responsible Entity of the Fund to non-resident investors.

Australian withholding tax may be withheld from distributions of Australian source income and gains attributed to a non-resident investor. The various components of the net income of the Fund which may be regarded as having an Australian source include Australian sourced interest, Australian sourced other gains, Australian sourced dividends and CGT taxable Australian property.

We recommend that non-resident investors seek independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant Double Taxation Agreement/Exchange of Information Agreement (“EOI”) between Australia and their country of residence.

### **Disposal of Units by Non-Resident Investors**

Based on the Fund’s investment profile, generally non-resident investors holding their units on capital account should not be subject to Australian capital gains tax on the disposal of units in the Fund unless the units were capital assets held by the investor in carrying on a business through a permanent establishment in Australia. Australian tax may apply in certain circumstances if the non-resident holds their units on revenue account. CGT may also apply in some cases where the Fund has a direct or indirect interest in Australian real property. We recommend that non-resident investors seek independent tax advice in relation to the tax consequences of the disposal of their units.

## 13. Other important information

### Cooling off period

Investors do not have cooling-off rights in respect of Units in the Class.

### ASIC relief

#### *Equal treatment relief*

ASIC Corporations (Relief to Facilitate Admission of Exchange Traded Funds) Instrument 2024/147 grants relief under section 601QA(1) of the Corporations Act from the equal treatment requirement in section 601FC(1) to the extent necessary to allow the Responsible Entity to permit only unitholders who are Authorised Participants to withdraw from the Class except in limited circumstances.

#### *Ongoing Disclosure Relief*

The Responsible Entity relies on ASIC Corporations (Relief to Facilitate Admission of Exchange Traded Funds) Instrument 2024/147 which exempts it 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 Fund was an unlisted disclosing entity. The Responsible Entity will comply with the continuous disclosure requirements of the Corporations Act as if the Fund was an unlisted disclosing entity.

#### *Periodic Statement Relief*

ASIC Corporations (Periodic Statement Relief for Quoted Securities) Instrument 2024/14 grants relief under sections 1020F(1)(a) and 1020F(1)(c) of the Corporations Act so that where a unitholder has acquired or disposed of Units during the period and the Responsible Entity does not know the price at which the Units were transferred, periodic statements and exit statements do not need to include the amounts paid in relation to the transfer or the return on investment during the reporting period (provided that the Responsible Entity is not able to calculate the return on investment and the periodic statement explains why this information was not included and described how it can be obtained and calculated). The Responsible Entity must also provide information about the performance of the Class relative to the investment objectives of the Class that they believe is sufficient for the investor to make an informed assessment of the performance of the Class for the relevant prescribed periods.

### Securities Exchange conditions of admission

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

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

### Consents

The Investment Manager, Portfolio Manager, Administrator, Fund Auditors, iNAV provider and Custodian have given and, as at the date of this PDS, have not withdrawn:

- their written consent to be named in this PDS as the Investment Manager, Portfolio Manager, Administrator, Fund Auditors, iNAV provider and Custodian respectively; and
- their written consent to the inclusion of the statements made about them which are specifically attributed to them, in the form and context in which they appear.

The Investment Manager, Custodian, Portfolio Manager, Administrator, Fund Auditors and iNAV provider have not otherwise been involved in the preparation of this PDS or caused or otherwise authorised the issue of this PDS. None of them nor their employees or officers accept any responsibility arising in any way for errors or omissions, other than those statements for which they have provided their written consent to Equity Trustees for inclusion in this PDS.

### Constitution of the Fund

You will be issued units in the Class when you invest. Subject to the rights, obligations and restrictions of a class, each unit represents an equal undivided fractional beneficial interest in the assets of the Class as a whole subject to liabilities, but does not give you an interest in any particular property of the Class.

Equity Trustees' responsibilities and obligations, as the responsible entity of the Fund, are governed by the Constitution as well as the Corporations Act and general trust law. The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Equity Trustees, as the responsible entity of the Fund, and investors. Some of the provisions of the Constitution are discussed elsewhere in this PDS.

Other provisions relate to an investor's rights under the Constitution, and include:

- an investor's right to share in any Class income, and how we calculate it;
- what you are entitled to receive when you withdraw or if the Fund is wound up;
- an investor's right to withdraw from the Fund - subject to the times when we can cease;
- processing withdrawals, such as if a Fund becomes 'illiquid';
- the nature of the units - identical rights attach to all units within a class; and
- an investor's rights to attend and vote at meetings – these provisions are mainly contained in the Corporations Act.

There are also provisions governing our powers and duties, including:

- how we calculate unit prices, the maximum amount of fees we can charge and expenses we can recover;
- when we can amend the Constitution - generally we can only amend the Constitution where we reasonably believe that the changes will not adversely affect investors' rights. Otherwise, the Constitution can only be amended if approved at a meeting of investors. To the extent that any contract or obligation arises in connection with the acceptance by Equity Trustees of an application or reliance on this PDS by an investor, any amendment to the Constitution may vary or cancel that contract or obligation. Further, that contract or obligation may be varied or cancelled by a deed executed by Equity Trustees with the approval of a special resolution of investors, or without that approval if Equity Trustees considers the variation or cancellation will not materially and adversely affect investor's rights;
- when we can retire as the Responsible Entity of the Fund - which is as permitted by law;
- when we can be removed as the Responsible Entity of the Fund - which is when required by law; and
- our broad powers to invest, borrow and generally manage the Fund.

The Constitution also deals with our liabilities in relation to the Fund and when we can be reimbursed out of the Fund's assets.

For example:

- subject to the Corporations Act we are not liable for relying in good faith on professional advice;
- subject to the Corporations Act we are not liable for any loss unless we fail to act in good faith or we act with gross negligence; and
- we can be reimbursed for any liabilities we incur in connection with the proper performance of our powers and duties in respect of the Fund.

The constitution also contains a provision that the relevant constitution is the source of our relationship with investors and not any other laws, except those laws we cannot exclude.

As mentioned above, Equity Trustees' responsibilities and obligations as the responsible entity of the Fund are governed by the Constitution of the Fund, the Corporations Act and general trust law, which require that we:

- act in the best interests of investors and, if there is a conflict between investors' interests and our own, give priority to investors;
- ensure the property of the Fund is clearly identified, unless law allows is held separately from other funds and our assets, and is valued regularly;
- ensure payments from the Fund's property are made in accordance with the Constitution and the Corporations Act; and
- report to ASIC any significant breach of financial services laws as required by the Corporations Act.

Copies of the Constitution are available, free of charge, on request from Equity Trustees.

### Termination of the Fund

The Responsible Entity may resolve at any time to terminate and liquidate the Fund (if it provides investors with notice) in accordance with the Constitution and the Corporations Act. Upon termination and after conversion of the assets of the Fund into cash and payment of, or provision for, all costs, expenses and liabilities (actual and anticipated), the net proceeds will be distributed pro-rata among all investors according to the units they hold in the Class.

### Our legal relationship with you

Equity Trustees' responsibilities and obligations, as the Responsible Entity of the Fund, are governed by the Constitution of the Fund, as well as the Corporations Act and general trust law. The Constitution of the Fund contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both Equity Trustees, as the responsible entity of the Fund, and investors.

Equity Trustees may amend the Constitution if it considers that the amendment will not adversely affect investors rights. Otherwise the Constitution may be amended by way of a special resolution of investors.

To the extent that any contract or obligation arises in connection with the acceptance by Equity Trustees of an application or reliance on this PDS by an investor, any amendment to the Constitution may vary or cancel that contract or obligation. Further, that contract or obligation may be varied or cancelled by a deed executed by Equity Trustees with the approval of a special resolution of investors, or without that approval if Equity Trustees considers the variation or cancellation will not materially and adversely affect investor's rights.

A copy of the Constitution of the Fund is available, free of charge, on request from Equity Trustees.

### Compliance plan

Equity Trustees has prepared and lodged a compliance plan for the Fund with ASIC. The compliance plan describes the procedures used by Equity Trustees to comply with the Corporations Act and the Constitution of the Fund. Each year the compliance plan for the Fund is audited and the audit report is lodged with ASIC.

### Unit pricing discretions policy

Equity Trustees has developed a formal written policy in relation to the guidelines and relevant factors taken into account when exercising any discretion in calculating unit prices (including determining the value of assets and liabilities). A copy of the policy and, where applicable and to the extent required, any other relevant documents in relation to the policy (such as records of any discretions which are outside the scope of, or inconsistent with, the unit pricing policy) will be made available to investors free of charge on request.

### Indirect Investors

You may be able to invest indirectly in the Class via an IDPS by directing the IDPS Operator to acquire units on your behalf. If you do so, you will need to complete the relevant forms provided by the IDPS Operator. This will mean that you are an Indirect Investor in the Fund and not an investor or member of the Fund. Indirect Investors do not acquire the rights of an investor as such rights are acquired by the IDPS Operator who may exercise, or decline to exercise, these rights on your behalf.

Indirect Investors do not receive reports or statements from us and the IDPS Operator's application and withdrawal conditions determine when you can direct the IDPS Operator to apply or redeem. Your rights as an Indirect Investor should be set out in the disclosure document issued by the IDPS Operator.

### Indemnity

Equity Trustees, as the responsible entity of the Fund, is indemnified out of the Fund against all liabilities incurred by it in performing or exercising any of its powers or duties in relation to the Fund. To the extent permitted by the Corporations Act, this indemnity includes any liability incurred as a result of any act or omission of a delegate or agent appointed by the Responsible Entity. Subject to the law, Equity Trustees may retain or pay out from the assets of the Fund any sum necessary to affect such an indemnity.

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

Australia's AML/CTF laws require Equity Trustees to adopt and maintain an AML/CTF Program. A fundamental part of the AML/CTF Program is that Equity Trustees knows certain information about investors in the Fund. To meet this legal requirement, we need to collect certain identification information and documentation ("KYC Documents") from new investors. Existing investors may also be asked to provide KYC Documents as part of a re-identification process to comply with AML/CTF laws. Processing of applications will be delayed or refused if investors do not provide the applicable KYC Documents when requested.

Under the AML/CTF laws, Equity Trustees is required to submit regulatory reports to AUSTRAC. This may include the disclosure of your personal information. Equity Trustees may not be able to tell you when this occurs.

The Responsible Entity and the Portfolio Manager shall not be liable for any loss you may suffer because of compliance with the AML/CTF laws.

## Common Reporting Standard (“CRS”)

The CRS is a standardised set of rules developed by the Organisation of Economic Co-operation and Development that requires certain financial institutions resident in a participating jurisdiction to document and identify reportable accounts and implement due diligence procedures. These financial institutions will also be required to report certain information on reportable accounts to their relevant local tax authorities.

Australia signed the CRS Multilateral Competent Authority Agreement and has enacted provisions within the domestic tax legislation to implement CRS in Australia. Australian financial institutions need to document and identify reportable accounts, implement due diligence procedures and report certain information with respect to reportable accounts to the ATO. The ATO may then exchange this information with foreign tax authorities in the relevant signatory countries.

In order to comply with the CRS obligations, we may request certain information from you. Unlike FATCA, there is no withholding tax that is applicable under CRS. However, penalties may apply for failing to comply with the CRS obligations.

### Your privacy

The Privacy Act 1988 (Cth) (“Privacy Act”) and the Australian Privacy Principles regulate the way organisations collect, use, disclose, keep, secure and give people access to their personal information. At Equity Trustees we are committed to respecting the privacy of your personal information throughout the information lifecycle and our Privacy Policy details how we do this.

Equity Trustees may collect personal information about you and individuals associated with you in order to provide products and services to you, and to ensure compliance with legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and tax related legislation). You must ensure that all personal information which you provide to Equity Trustees is true and correct in every detail, and should those personal details change it is your responsibility to ensure that you promptly advise Equity Trustees of the changes in writing. If you do not provide the information requested we may not be able to process your application, administer, manage, invest, pay or transfer your investment(s). We may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

Equity Trustees may disclose your information to other members of our corporate group or to third parties, where it is necessary, in order to provide you with the products or services. Those third parties may be situated in Australia or offshore, and we take reasonable steps to ensure that all third parties with whom we have a contractual relationship or other influence comply with the Australian Privacy Principles.

The third parties that we may disclose your information to include, but are not limited to:

- stockbrokers, financial advisers or adviser dealer groups, their service providers and/or any joint holder of an investment;

- those providing services for administering or managing the Fund, including the Investment Manager, Custodian and Administrator, auditors, or those that provide mailing or printing services;
- those where you have consented to the disclosure and as required by law; and
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC.

Equity Trustees or the Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to “opt out” by contacting Equity Trustees or Coolabah Capital Investments (Retail) Pty Limited.

Equity Trustees’ Privacy Policy contains information about how you can access information held about you, seek a correction if necessary, make a complaint if you think there has been a breach of your privacy and about how Equity Trustees will deal with your complaint. Full details of Equity Trustees’ Privacy Policy is available at [www.eqt.com.au](http://www.eqt.com.au). You can contact Equity Trustees’ Privacy Officer on +61 3 8623 5000, or email to [privacy@eqt.com.au](mailto:privacy@eqt.com.au) to request a copy.

### Information on underlying investments

Information regarding the underlying investments of the Fund will be provided to an investor of the Fund on request, to the extent Equity Trustees is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

### Foreign Account Tax Compliance Act (“FATCA”)

In April 2014, the Australian Government signed an intergovernmental agreement (“IGA”) with the United States of America (“U.S.”), which requires all Australian financial institutions to comply with the FATCA Act enacted by the U.S. in 2010. Under FATCA, Australian financial institutions are required to collect and review their information to identify U.S. residents that invest in assets through non-U.S. entities. This information is reported to the Australian Taxation Office (“ATO”). The ATO may then pass that information onto the U.S. Internal Revenue Service.

In order to comply with the FATCA obligations, we may request certain information from you. Failure to comply with FATCA obligations may result in the Fund, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. If the Fund suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, we will not be required to compensate investors for any such withholding and the effect of the amounts withheld will be reflected in the returns of the Fund.

## 14. Glossary of important terms

### Administrator

Apex Fund Services Pty Ltd ACN 118 902 891, which possesses AFSL No. 303253.

### Administration Agreement

The administration agreement in respect of the Fund between the Responsible Entity and the Administrator.

### AFSL

Australian Financial Services Licence.

### ASIC

Australian Securities and Investments Commission.

### ATO

Australian Taxation Office.

### ARSN

675 577 670

### ASX

Australian Securities Exchange Limited.

### ASX Listing Rules

The listing rules of the ASX from time to time.

### AUD

Australian dollars

### AUSTRAC

Australian Transaction Reports and Analysis Centre.

### Benchmark

Bloomberg Global Aggregate Corporate Bond Index (hedged to AUD).

### Business Day

A day other than Saturday or Sunday on which banks are open for general banking business in Sydney or if the administrator of the Fund primarily performs its administrative functions in respect of the Fund in a city other than Sydney, the city in which the administrator performs such functions.

### CCI

Coolabah Capital Investments Pty Ltd.

### CCII

Coolabah Capital Institutional Investments Pty Ltd, the Portfolio Manager.

### CCIR

Coolabah Capital Investments (Retail) Pty Limited, the Investment Manager.

### CHESS

Clearing House Electronic Sub-register System, the Australian settlement system for equities and other issued products traded on the ASX or other exchanges. CHESS is owned by the ASX.

### Class

The Class of the Fund known as the Coolabah Active Global Bond Complex ETF.

### Constitution

The document which describes the rights, responsibilities and beneficial interest of both investors and the Responsible Entity in relation to the Fund and each class, as amended from time to time.

### Corporations Act

The Corporations Act 2001 and Corporations Regulations 2001 (Cth), as amended from time to time.

### Custodian

Citigroup Pty Ltd ABN 88 004 325 080, which possesses AFSL No. 238098

### Derivative

A financial contract whose value is based on, or derived from, an asset class such as shares, interest rates, currencies or currency exchange rates and commodities. Common Derivatives include options, futures and forward exchange contracts.

### Equity Trustees

Equity Trustees Limited (ABN 46 004 031 298) which possesses AFSL No. 240975.

### Fund

Coolabah Active Global Bond Fund ARSN 675 577 670

### G10 Currencies

G10 Currencies refer to the ten (10) most liquid and heavily traded currencies in the world. As at the date of this PDS, this is a reference to the Australian dollar (AUD), Canadian dollar (CAD), Euro (EUR), Japanese yen (JPY), New Zealand dollar (NZD), Norwegian krone (NOK), Pound sterling (GBP), Swedish krona (SEK), Swiss franc (CHF) and United States dollar (USD).

### ESG Policy

Environmental, Social, Governance and Stewardship Policy available at [www.coolabahcapital.com.au](http://www.coolabahcapital.com.au)

### GST

Goods and Services Tax.

### HIN

Holder Identification Number.

### IDPS

Investor-Directed Portfolio Service or investor-directed portfolio-like managed investment scheme. An IDPS is generally the vehicle through which an investor purchases a range of underlying investment options from numerous investment managers.

### IDPS Operator

The entity responsible for operating an IDPS.

### iNAV

Indicative NAV per Unit.

### Indirect Investors

Individuals who invest in the Fund through an IDPS.

### Investment Manager

Coolabah Capital Investments (Retail) Pty Limited ABN 64 153 555 867 which is a Corporate Authorised Representative (CAR) #000414337 of Coolabah Capital Institutional Investments Pty Ltd AFSL 482238.

### NAV per Unit

The NAV per Unit is calculated by dividing the NAV of the Class by the number of Units on issue in the Class.

### Net Asset Value (NAV)

In relation to the Class, the value of the assets of the Class less the value of liabilities of the Class.

In relation to the Fund, the value of the assets of the Fund less the value of the liabilities of that Fund.

### OTC

Over the counter.

### PDS

This Product Disclosure Statement, issued by Equity Trustees.

**Portfolio Manager**

Coolabah Capital Institutional Investments Pty Ltd ABN 85 605 806 059 which possesses AFSL No. 482238.

**Responsible Entity**

Equity Trustees Limited.

**RITC**

Reduced Input Tax Credit. Equity Trustees will apply for reduced input tax credits where applicable to reduce the cost of GST.

**Securities Exchange**

The market operated by ASX.

**Securities Exchange Operator**

The market operated by ASX.

**Securities Exchange Rules**

Refers to the ASX Operating Rules from time to time.

**SRN**

Securityholder Reference Number.

**Trading Day**

The day which is a Trading Day for the purposes of the Securities Exchange Rules.

**Unit or Units**

The units on offer under this PDS.

**US Person**

A person so classified under securities or tax law in the United States of America ("US") including, in broad terms, the following persons:

(a) any citizen of, or natural person resident in, the US, its territories or possessions; or

(b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or

(c) any agency or branch of a foreign entity located in the US; or

(d) a pension plan primarily for US employees of a US Person; or

(e) a US collective investment vehicle unless not offered to US Persons; or

(f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

(g) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or

(h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or

(i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

**We, us**

Refers to Equity Trustees.

**Wholesale Client**

Persons or entities defined as such under section 761G of the Corporations Act.

**You, your**

Refers to an investor.