

QUAYSTREET®
ASSET MANAGEMENT

QUAYSTREET FUNDS

OTHER MATERIAL INFORMATION
28 MARCH 2025

SMARTSHARES LIMITED

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1. GENERAL

This 'Other Material Information' document contains information that is considered by Smartshares Limited ('Smartshares', 'we' or 'us') to be 'material' to the QuayStreet Funds ('Funds') that is not contained in the Product Disclosure Statement ('PDS') for the Funds. This document is provided to meet the requirements of section 57(1) (b) (ii) of the Financial Markets Conduct Act 2013 ('FMC Act').

2. SUMMARY OF TRUST DEEDS

There are 12 Funds detailed in the QuayStreet Funds PDS. The Funds were established under a Master Trust Deed dated 1 June 2016 ('Master Trust Deed'), together with a separate Establishment Deed for each Fund. The date of establishment of each Fund is:

FUNDS	DATE OF ESTABLISHMENT
QuayStreet Fixed Interest Fund	30 September 2009
QuayStreet Income Fund	9 September 2014
QuayStreet Conservative Fund	19 September 2007
QuayStreet Balanced Fund	19 September 2007
QuayStreet Socially Responsible Investment Fund	8 October 2007
QuayStreet Growth Fund	19 September 2007
QuayStreet High Growth Fund	17 January 2024
QuayStreet New Zealand Equity Fund	27 October 2010
QuayStreet Australian Equity Fund	27 October 2010
QuayStreet International Equity Fund	30 September 2009
QuayStreet International Equity (NZD Hedged) Fund	17 January 2024
QuayStreet Altum Fund	9 September 2014

KEY TERMS

A summary of the key terms of the Master Trust Deed and each Establishment Deed is set out below.

APPLICATIONS

Investors apply to us for units in a Fund. We may fix the minimum number or value of units that may be issued from time to time. The minimum initial investment in each Fund is currently \$1,000 with minimum subsequent investments of \$100. We may vary these minimum amounts from time to time, without prior notice. We may also accept applications for amounts less than the minimum amounts. All application monies are held by the Supervisor (or the Custodian on its behalf) for investment on behalf of investors. Any interest earned on application moneys pending the issue of units will be credited to us.

We may accept or refuse to accept, in whole or in part, any application and we are not required to give a reason for any refusal. Any application money received by us in respect of that part of an application which is refused will be refunded to the investor without any interest.

Units in each Fund are issued and redeemed at the unit price. The unit price is the "net asset value" per unit on the valuation day on which the relevant unit is issued. Valuation days are every business day, unless for reasons beyond our control, valuation is impossible on the day in question.

The "net asset value" per unit is determined by taking the "gross asset value" of the relevant Fund (being the aggregate of the market value of the investments of the Fund, any income accrued or payable in respect of the Fund that is not included in the investments' value and, if we so determine, any deferred tax assets of the Fund), deducting all liabilities of that Fund (including accrued or contingent liabilities, tax and provisions) and dividing the result by the number of units of the relevant Fund on issue.

The current unit price for each Fund is available on our website: quaystreet.com/our-funds/prices-and-performance



If application monies are received by 2pm on a valuation day, units will be issued on that valuation day. Applications received after 2pm on a valuation day will be processed on the next valuation day.

The number of units that an investor will receive will be determined by dividing the investment amount, by the unit price on the valuation day on which the units are issued.

REDEMPTIONS

You can invest for any period, although units are only redeemable on a valuation day.

If you wish to withdraw from a Fund you must give written notice to us ('Redemption Request'), which cannot be withdrawn once given. A Redemption Request will generally be actioned with effect on the valuation day following the day on which the Redemption Request is received. If a Redemption Request is received on a non-business day, it will be deemed to be received on the next business day. We may at our sole discretion redeem units on an earlier valuation day.

All withdrawals will be made by way of redemption of units. Units are redeemed at the unit price. We may fix a minimum number or value of units that may be withdrawn and the minimum number or value of units that you must hold after a partial withdrawal. The minimum withdrawal amount is currently \$1,000. There is currently no minimum number or value of units that must be held after a partial withdrawal.

We may compulsorily redeem your units on account of any tax payable by the relevant Fund, the Supervisor or us attributable to income attributed to you on such date as we determine. Any redemption of units for this purpose will be undertaken at the unit price applicable on the date of redemption.

We may also redeem or void units if the number of units held by a unitholder and its associated persons (as defined in the Income Tax Act 2007) would cause the relevant Fund to lose its status as a Portfolio Investment Entity (PIE).

SUSPENSION OF REDEMPTIONS

We may suspend the processing of all Redemption Requests for a Fund, if by reason of:

- the suspension of trading on any securities exchange; or
- financial, political or economic conditions applying in respect of any financial market; or
- the nature of any investment; or
- a Redemption Request being received, or a series of Redemption Requests having been received within a period of three months, that in aggregate relate to more than 5% (or such other percentage as we specify from time to time by not less than 30 days prior notice to unitholders) of the number of units on issue in a Fund; or
- the occurrence or existence of any other circumstance or event relating to a Fund or generally,

we form the opinion that it is not practicable or would be materially prejudicial to the interests of any unitholders in the relevant Fund, to give effect to Redemption Requests for that Fund. We may determine that units subject to Redemption Requests may be progressively redeemed by instalments with effect from one or more valuation days falling in a period determined by us or in total at the expiration of a period determined by us. In any such case, the unit price will be calculated as at the valuation day or days on which units are redeemed.

If a Redemption Request is received, or a series of Redemption Requests have been received, within a period of three months that in aggregate relate to more than 20% of the number of units on issue in a Fund, we may suspend the right of the unitholders in that Fund to make Redemption Requests on the following conditions:

- we must notify the Supervisor of our intention to suspend the right of unitholders to make Redemption Requests; and
- we must immediately call a meeting of unitholders in the Fund to consider the winding up of the Fund or such other action as the unitholders deem appropriate.

In both cases, there is no express limit on the period of suspension.



SIDE-POCKETING

We may 'side-pocket' certain assets and liabilities of a Fund, with the approval of the Supervisor, where we consider that it is in the best interests of unitholders in a Fund generally to do so. That may be in order to, for example, address liquidity or pricing issues in relation to a particular investment that might otherwise lead to the deferral or suspension of Redemption Requests in the Fund. Side-pocketing is designed to separate illiquid assets from other more liquid assets in a Fund. This involves quarantining the illiquid assets and making special arrangements in relation to those assets, including arrangements that defer or suspend the ability of unitholders to access the part of their investment in the Fund that relates to those assets.

SEPARATE FUNDS

Each Fund is a separate investment fund and the assets of one Fund will not be available to meet the liabilities of another Fund.

TRANSFERS OF UNITS

Units may be transferred by requesting and completing a transfer request in the form approved by us. Every transfer must be registered in the unit register and for this purpose the transfer must be sent to the office of the Registrar, Apex Investment Administration (NZ) Limited, PO Box 106039, Auckland City, Auckland 1143. A transferor will remain the unitholder until the transfer is registered in the unit register.

The Registrar may charge a transfer fee to process transfers of an amount agreed with us. There is currently no transfer fee.

The unit register will be open for the purpose of registering transfers on business days provided that we may decline to register transfers of units for up to 28 days in each year.

We may specify from time to time the minimum number or value of units which may be transferred and may decline to transfer a parcel of units which is less than this minimum number or value. We may also fix a minimum number or value of units that you must hold after a partial transfer. The minimum value of units in each Fund which you can transfer is currently \$1,000 and there is currently no minimum number or value of units that must be held after a partial transfer.

A transfer of units will be treated as a withdrawal for PIE tax purposes.

Any transfer may result in us redeeming units to pay any PIE tax liability in respect of a unitholder. We also have the right to decline a transfer if it would result in the loss of PIE status for a Fund.

MANAGER CHOOSES INVESTMENTS

We may direct the Supervisor to take any action required in respect of the investments of each Fund. The Supervisor is not obliged to act on a direction to invest by us if doing so would be contrary to the Master Trust Deed, any other provision of law or not in the interests of unitholders.

CHANGE OF MANAGER

We may retire as Manager upon giving 90 days' prior notice to the Supervisor, subject to the appointment of a new Manager. We may be removed as Manager only in the following circumstances:

- by a written direction of the Supervisor after the Supervisor certifies that it is in the best interests of unitholders that we are removed;
- if we are substituted by the High Court under the FMC Act; or
- by a special resolution of unitholders.

The power of appointing a temporary new Manager is vested in the Supervisor. The Supervisor must take reasonable steps to appoint a permanent Manager.



SUPERVISOR

The functions of the Supervisor are:

- acting on behalf of unitholders in relation to us, any matter connected to the Master Trust Deed or the terms of the offer, any contravention or alleged contravention of our obligations as issuer and Manager of the Funds and any contravention or alleged contravention of the FMC Act by any other person in connection with the Funds;
- supervising the performance by us of our functions as issuer and Manager of the Funds and the financial position of us and the Funds to ascertain that it is adequate;
- holding the property of the Funds or ensuring that it is held in accordance with the FMC Act; and
- performing or exercising any other functions, powers and duties conferred or imposed on the Supervisor by or under the FMC Act, the Financial Markets Supervisors Act 2011 and the Master Trust Deed.

CHANGE OF SUPERVISOR

The Supervisor may retire upon giving 90 days' notice to us, subject to the appointment of a new Supervisor. In addition, the Supervisor may be removed from office in the circumstances set out in the FMC Act or by the High Court on application by us.

The power of appointing a new Supervisor is vested in us but if we fail or refuse to exercise this power then a new Supervisor may be appointed by a special resolution of unitholders. We have no power to remove the Supervisor.

AUDITOR

The Auditor is selected by us after consultation with the Supervisor. The Auditor may retire upon giving 30 days' notice to us. The Auditor may at any time be removed by us with the approval of the Supervisor or by the Supervisor if the Supervisor believes that removal is in the best interests of each Fund and/or the unitholders. A replacement Auditor will be appointed by us after consultation with the Supervisor.

BORROWING POWERS

The Supervisor has the power to borrow money in respect of a Fund and to enter into such agreements and securities over the relevant Fund's property as are necessary for that purpose. In certain circumstances we can direct the Supervisor to borrow money in respect of a Fund. The aggregate of the principal money borrowed and outstanding in respect of a Fund or secured against the investments of a Fund may not exceed 20% of the gross asset value of the relevant Fund.

Unitholders are not liable beyond their initial application monies for borrowings made by a Fund.

EXPENSES

We and the Supervisor are entitled to be reimbursed out of each Fund for costs incurred in performing duties under the Master Trust Deed including:

- all costs incurred with the purchase of any investments;
- the fees and expenses of the Auditor;
- all taxes and duties paid;
- all interest and other costs associated with any borrowing;
- all costs of convening and holding meetings;
- any costs of third parties engaged by us or the Supervisor;
- all costs of preparing, printing and distributing accounts, statements, offer documents and any other communications to unitholders;
- all costs incurred in running the unit register; and
- any other expenses reasonably incurred by the Supervisor, us or any delegate of ours in carrying out duties under the Master Trust Deed.

MEETINGS OF UNITHOLDERS

We are required to summon a meeting of unitholders of a Fund upon the request in writing of the Supervisor, or of unitholders holding not less than 5% of the value of units on issue in the relevant Fund. We may also convene a meeting of unitholders of a Fund.



AMENDMENTS TO MASTER TRUST DEED

We and the Supervisor may at any time make any amendment to the Master Trust Deed or any Establishment Deed if:

- the Supervisor is satisfied that the change does not have a material adverse effect on the unitholders and the Supervisor certifies to that effect; or
- the change is approved by, or contingent on approval by, a special resolution of the unitholders that are or may be adversely affected by the change.

AUTHORISED INVESTMENTS

Each Fund may only be invested in the "Authorised Investments" described in the Establishment Deed for the Fund. Authorised Investments for each Fund are interests of any nature in any real or personal property and includes derivatives and other treasury products and any right or option to acquire any such interests.

WINDING UP

Each Fund will terminate on the earlier to occur of:

- the date which is 80 years less 2 days from the date of establishment of the Fund;
- the date on which the unitholders resolve to terminate the relevant Fund by ordinary resolution;
- the termination date notified by us to the Supervisor and the unitholders of the relevant Fund by at least 30 days' notice in writing; and
- the date on which the Fund is wound up under the FMC Act.

Upon termination of a Fund, the Supervisor is obliged to sell all investments of the Fund, to pay all liabilities, fees, costs and expenses of the Fund and to distribute the balance amongst the unitholders in proportion to the number of units held by them in the Fund.

UNITHOLDER LIABILITY

Unitholders do not incur any liabilities (including contingent liabilities) from holding units in each Fund, other than the liability to pay the unit price and in relation to their personal tax obligations as described below.

Every unitholder indemnifies the Supervisor, us and the relevant Fund on account of any PIE tax attributable to income attributed to that unitholder (and related penalties or interest) which has not been satisfied by redeeming units of, or by deduction from monies paid to, that unitholder. Unitholders also have adjustments made to their units (and distributions if required) to reflect tax paid or payable on their behalf by the relevant Fund.

MANAGER AND SUPERVISOR INDEMNITY

Subject to the indemnity limitations in the FMC Act, if we or the Supervisor are held personally liable to any other person in respect of any debt, liability or obligation incurred by or on behalf of any Fund, except for liabilities arising from any wilful default or wilful breach of trust, then we or the Supervisor (as applicable) are entitled to indemnity and reimbursement out of the relevant Fund to the full extent of that liability. Under the FMC Act, our rights and the Supervisor's rights to be indemnified are only available in relation to the proper performance of our statutory duties under the FMC Act.



3. WHO IS INVOLVED?

THE MANAGER

The manager of the QuayStreet Funds is Smartshares Limited ('Smartshares'). Smartshares is a wholly owned subsidiary of NZX Limited.

Our registered office is at:

Level 2
NZX Centre
11 Cable Street
Wellington 6011

We have the following functions as manager of the Funds:

- offering units in the Funds;
- issuing units in the Funds;
- managing the Funds' property and investments; and
- administering the Funds.

We may delegate any of our functions but will remain responsible for the acts and omissions of our delegate whether or not the delegate is acting within the terms of its delegated authority. We have delegated registry, unit pricing and fund accounting functions to Apex Investment Administration (NZ) Limited. Certain other administrative functions have been delegated to Craigs Investment Partners Limited ('CIP') for a transitional services period.

Both Apex Investment Administration (NZ) Limited and CIP are the administration managers of the Funds. Their contact addresses are as follows:

- Apex Investment Administration (NZ) Limited, PO Box 106039, Auckland City, Auckland 1143 and
- Craigs Investment Partners Limited, PO Box 13155, Tauranga 3141.

CONFLICTS OF INTEREST

Smartshares is a wholly owned subsidiary of NZX Limited (**NZX**) and this may result in conflicts of interest, or perceived conflicts of interest for all of the Funds. The Funds can invest in financial products issued by NZX and entities in the NZX group of companies may receive commercial benefits from this. We choose investments for the Funds based on our investment selection process and the relevant Fund's statement of investment policy and objectives. We are not influenced, and are not likely to be influenced, in our investment choices by our relationship with NZX or any other members of the NZX group of companies.

We have internal policies and procedures in place to identify, assess and manage potential conflicts of interest. These include our related party transactions procedure that requires us to certify that a transaction is permitted or obtain the Supervisor's consent to the transaction before any benefit is given to a related party out of a Fund's property. We must also notify the Supervisor before we enter into a related party transaction.



THE SUPERVISOR & CUSTODIAN

SUPERVISOR

The New Zealand Guardian Trust Company Limited is the Supervisor of the QuayStreet Funds. They supervise how we run the Funds, for the benefit of you and other investors. The Supervisor is responsible for holding the assets of the QuayStreet Funds on behalf of members, and either holds the assets itself or appoints an appropriate custodian to hold the assets.

The Supervisor was granted a licence by the Financial Markets Authority under section 16(1) of the Financial Markets Supervisors Act 2011 to act as a supervisor of registered schemes. More information about the Supervisor's licence, including its conditions, can be obtained at the Financial Service Providers Register at: [fsp-register.companiesoffice.govt.nz](https://register.companiesoffice.govt.nz). If the Supervisor ceased to hold an appropriate licence, then we would be obliged to seek and appoint another supervisor.

As at the date of this document, the directors of the Supervisor are:

- Robin Flannagan of Auckland;
- Bryan Connor of Auckland; and
- Sarah Graydon of Wellington.

Each of the directors named can be contacted at:

c/- The New Zealand Guardian Trust Company Limited
PO Box 274, Shortland Street
Auckland 1140

The directors of the Supervisor may change from time to time. A current list of the Supervisor's directors is available online: [companies-register.companiesoffice.govt.nz](https://register.companiesoffice.govt.nz)

THE CUSTODIAN

Citibank N.A. is the Custodian, appointed by the Supervisor to hold certain assets of the Funds on behalf of investors.

Citibank N.A.
Citigroup Centre
Level 11, 23 Customs Street East
PO Box 3429
Auckland 1140

4. MATERIAL CONTRACTS

CIP TRANSITIONAL SERVICES AGREEMENT

With effect from 23 February 2023, CIPIML retired and Smartshares was appointed as the manager of the Funds. CIPIML is a wholly owned subsidiary of CIP. CIP and Smartshares have entered into a Transitional Services Agreement dated 23 February 2023 pursuant to which CIP has agreed to continue to provide various administrative functions relating to the Funds to Smartshares for an agreed transitional period.

APEX SERVICE AGREEMENT

A deed of novation entered into on 23 February 2023 between Smartshares, CIPIML and Apex Investment Administration (NZ) Limited ("Apex") and relating to the novation from CIPIML to Smartshares of an agreement originally entered into on 1 June 2016 and relating to the delegation of registry, unit pricing and fund accounting functions in respect of the Funds to Apex.

5. SUMMARY OF POLICIES & PROCEDURES

Smartshares operates under both NZX Limited and Smartshares specific policies, codes and procedures. A summary of those policies is as follows:

SUMMARY OF POLICIES, CODES AND PROCEDURES

STATEMENT OF INVESTMENT POLICY AND OBJECTIVES (SIPO)

The SIPO covers matters such as:

- Responsible investing
- Liquidity and cash flow management
- Pricing and valuation
- Trade allocation and execution
- Trade reconciliation and risk management

The purpose of the SIPO is to document for investors and the Supervisor the investment policies of the QuayStreet Funds. It states each Fund's investment policy and objectives, its performance benchmarks and target asset allocations.



DERIVATIVES POLICY

This policy governs the use of derivative instruments in the Funds. Derivatives can include forward contracts, futures, swaps and options.

ANTI-MONEY LAUNDERING POLICY

Smartshares complies with the Anti-Money Laundering and Countering of Financing of Terrorism Act 2009. Smartshares actively takes measures to guard against being used as a medium for money laundering activities. Smartshares will take reasonable measures to establish the identity of its clients and beneficial owners and will only accept clients once this process has been completed.

CODE OF CONDUCT

The Code of Conduct is a statement of our commitment to integrity and high ethical standards in all that is done at Smartshares and NZX. The Code sets the minimum standards of conduct that we expect from our directors, officers and employees during all interactions with clients, competitors, business partners, government authorities, shareholders, and each other.

CONFLICT MANAGEMENT POLICY

Smartshares Conflict Management Policy's purpose is to establish and describe Smartshares' policy and procedures in respect of conflicts of interest that could materially influence its investment decisions or the investments decisions of the external investment managers it has appointed (or both).

FINANCIAL PRODUCTS TRADING POLICY

Insider trading is trading in securities of a public issuer on the basis of inside information. Possession of insider information makes a person an information insider. The objective of this policy is to put in place procedures and controls to ensure that Smartshares' and NZX's directors and employees do not breach the prohibition on insider trading or create any perception of directors or employees trading financial products when they should not do so.

RESPONSIBLE INVESTMENT POLICY

Each QuayStreet Fund, except for the QuayStreet Socially Responsible Investment Fund, is managed in accordance with the QuayStreet Responsible Investment Policy. This policy details how we incorporate environmental, social and governance (ESG) factors within our investment decision-making framework for the QuayStreet Funds. The QuayStreet Socially Responsible Investment Fund has its own specific investment policy. The Responsible Investment Policy is available on the offer register, disclose-register.companiesoffice.govt.nz and the QuayStreet website, quaystreet.com/documents.

SOCIALLY RESPONSIBLE INVESTMENT POLICY

All investments included within the QuayStreet Socially Responsible Investment Fund are selected in accordance with criteria outlined in the QuayStreet Socially Responsible Investment Policy (SRI Policy) and each such investment is tested and monitored to ensure ongoing compliance with the standards and criteria in the SRI Policy. The SRI Policy contains information relating to the nature and criteria of socially responsible investment in the QuayStreet Socially Responsible Investment Fund and is available on the offer register, disclose-register.companiesoffice.govt.nz and the QuayStreet website, quaystreet.com/socially-responsible-investment-process.

6. BENCHMARKS AND MARKET INDICES FOR THE FUNDS

The QuayStreet Funds returns are measured against various benchmarks (market indices) as set out in the SIPO. More information about these benchmarks (market indices) can be found on the web pages listed beneath the following table.

BENCHMARKS AND MARKET INDICES	NZ OCR + 2%.	NZ OCR + 6%	S&P/NZX 50 GROSS INDEX	S&P/ASX 200 TOTAL RETURN INDEX	MSCI WORLD (NZD) NET TOTAL RETURN INDEX	MSCI WORLD (100% HEDGED TO NZD) NET TOTAL RETURN INDEX	S&P/NZX INVESTMENT GRADE CORPORATE BOND TOTAL RETURN INDEX	S&P/NZX BANK BILLS 90-DAY TOTAL RETURN INDEX
QuayStreet Fixed Interest Fund							100%	
QuayStreet Income Fund	100%⊗							
QuayStreet Conservative Fund			5%	5%	10%		60%	20%
QuayStreet Balanced Fund			10%	10%	40%		30%	10%
QuayStreet Socially Responsible Investment Fund			10%	10%	40%		30%	10%
QuayStreet Growth Fund			12.5%	12.5%	55%		15%	5%
QuayStreet High Growth Fund			7.5%	7.5%	80%		4%	1%
QuayStreet New Zealand Equity Fund			100%					
QuayStreet Australian Equity Fund				100%				
QuayStreet International Equity Fund					100%			
QuayStreet International (NZD Hedged) Equity Fund						100%		
QuayStreet Altum Fund		100%⊗⊗						

⊗ Our Quarterly Fund Updates and Annual Reports will report the Fund's returns against a composite market index consisting of the S&P/NZX 50 Gross Index (5%), S&P/ASX 200 Total Return Index (5%), S&P/ASX 200 A-REIT Total Return Index (5%), S&P/NZX All Real Estate Index (5%), S&P/NZX Investment Grade Corporate Bond Total Return Index (70%) and S&P/NZX Bank Bills 90-Day Total Return Index (10%). This is due to the Official Cash Rate ('OCR') not being recognised as a market index, as required by the Financial Markets Conduct Act 2013.



⊗⊗ Our Quarterly Fund Updates and Annual Reports will report the Fund's returns against a composite market index consisting of the S&P/NZX 50 Gross Index (50%) and S&P/ASX 200 Total Return Index (50%). This is due to the OCR not being recognised as a market index, as required by the Financial Markets Conduct Act 2013. The hurdle rate of return used for the determination of the performance fee payable is not based on this composite market index, instead the performance fee hurdle rate of return is the OCR plus 6%. This may result in a performance fee being charged even if the Fund's returns do not exceed the composite market index set out above.

Benchmark performance is measured in NZD except for the S&P/ASX 200 Total Return Index which is measured in AUD.

MARKET INDICES WEB PAGES

- S&P/NZX Indices: spglobal.com/spdji/en/regional-exposure/asia-pacific/new-zealand
- S&P/ASX Indices: spglobal.com/spdji/en/regional-exposure/asia-pacific/australia/#overview
- MSCI Indices: msci.com/indexes
- RBNZ - OCR: rbnz.govt.nz/monetary-policy/official-cash-rate-decisions
- S&P/NZX Investment Grade Corporate Bond Index Total Return: spglobal.com/spdji/en/indices/fixed-income/sp-nzx-investment-grade-corporate-bond-index
- NZ 90 Day Bank Bill: spglobal.com/spdji/en/indices/fixed-income/sp-nzx-bank-bills-90-day-index



7. ADDITIONAL INFORMATION ON FEES

EXPLANATION OF THE ESTIMATES

TOTAL ANNUAL FUND CHARGES

Included in the PDS are 'total annual fund charges', which include estimates of expenses for each Fund and performance fees for the QuayStreet Altum Fund. We have assumed expenses will not materially change from year to year. In preparing the expense estimates we based them on the latest audited financial statements. We therefore expect the actual expenses for each QuayStreet Fund will be similar to the financial year ended 31 March 2024.

A performance fee was not charged for the QuayStreet Altum Fund in the year ended 31 March 2024. However, the total annual fund charge of 1.35% for this fund includes an estimated performance fee of 0.08%, which has been calculated as an average of the annual performance fee charged over the last five years to 31 March 2024 ('Estimated Altum Fund Performance Fee').

The QuayStreet Balanced Fund, QuayStreet Growth Fund and the QuayStreet High Growth Fund themselves do not charge a performance fee. However, each of those funds invests into the QuayStreet Altum Fund, which may charge a performance fee. The total annual fund charges for the QuayStreet Balanced Fund, QuayStreet Growth Fund and the QuayStreet High Growth Fund include estimated performance fees of 0.01%, 0.02% and 0.01% respectively. The performance fee component for these funds have been calculated as a percentage of the funds' weighted investments in the QuayStreet Altum Fund in the year ended 31 March 2024 with reference to the Estimated Altum Fund Performance Fee.

ADDITIONAL INFORMATION

INDIVIDUAL ACTION FEES

No contribution, establishment, termination, or withdrawal fees are charged.

TRADING COSTS

The Funds may also incur trading costs which will affect the value of your investment. Currently, a brokerage expense of up to 0.50% of the amount being traded are payable when a Fund buys and sells securities. This expense is deducted from the applicable Fund when incurred and reflected in its unit price.

FEES PAID BY THE MANAGER

We have currently agreed to meet the fees payable to the Registrar, Administration Managers and Supervisor (other than special fees) from the management fee. We have also agreed to pay the valuation-based custody fees charged by the Custodian for holding and maintaining securities held by the Funds. The Funds pay any transactional fees charged by the Custodian. This may change, in which case the fees payable to the Custodian, Registrar, Administration Managers and Supervisor would be paid directly out of each Fund.

We may agree to change the fees with the parties below, subject to any restrictions contained in the Master Trust Deed and/or Establishment Deeds, including any notice requirements.

GST will be added to any fees, if applicable, at the prevailing rate.

Supervisor and Custodian fees

A fee based on the Gross Asset Value of each Fund is payable to the Supervisor for carrying out the supervisor functions. In addition, the Supervisor is entitled to charge special fees for services of an unusual or onerous nature outside the Supervisor's regular services. There is no limit on such special fees. However, these special fees are not paid out of the management fee.

Valuation-based fees are payable on each security held by the Funds, to Citibank N.A. in its capacity as Custodian of the Funds. The fees per security vary depending on the market and the security type (e.g. equity versus fixed interest, listed versus unlisted).

Registrar & Administration Managers' fees

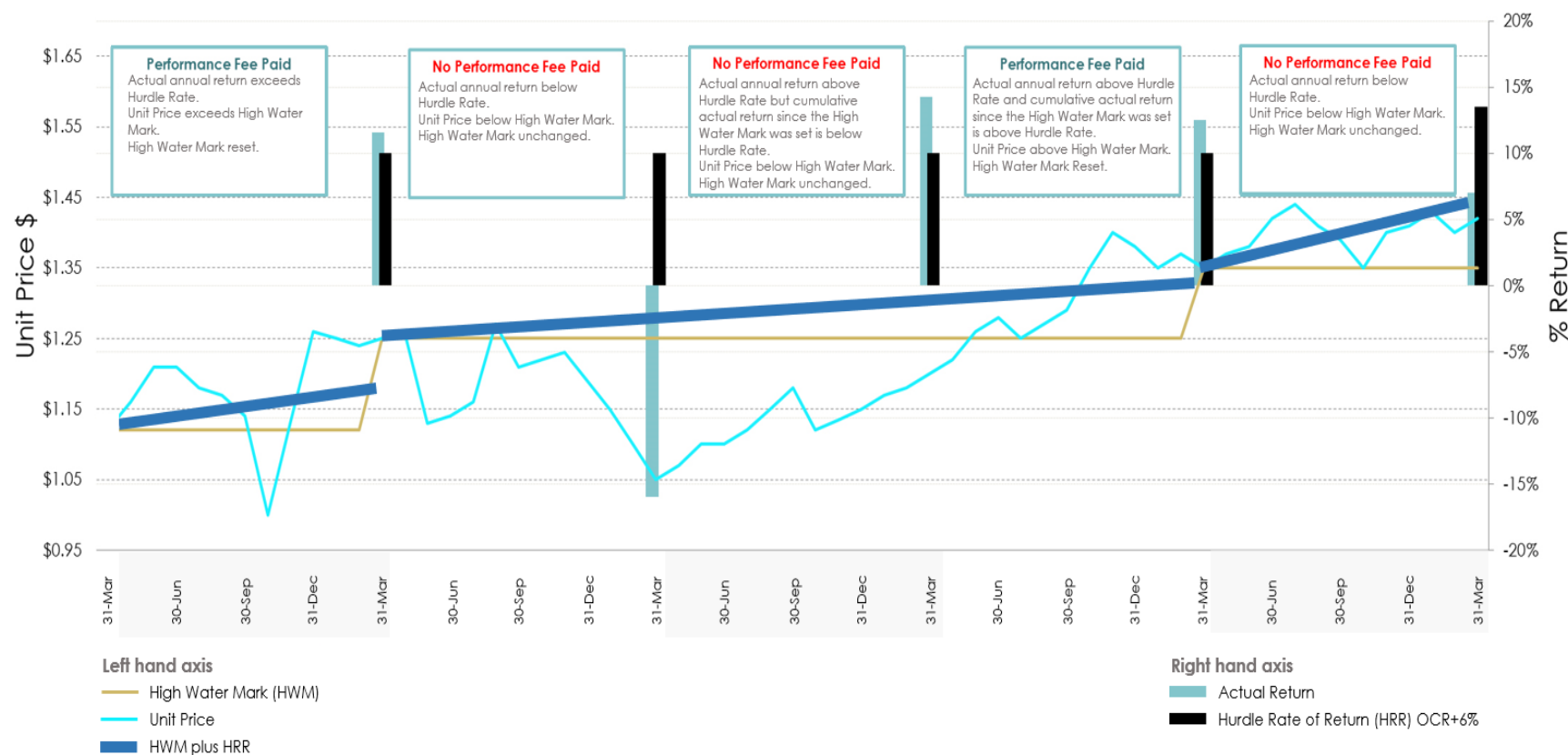
A fixed annual fee is payable to Apex Investment Administration (NZ) Limited in its capacity as Registrar.

An annual fee based on the Gross Asset Value of each Fund is payable to Apex Investment Administration (NZ) Limited in its capacity as an administration manager of the Funds.

Variable fees (depending on the service provided) are payable to CIP for its services under the Transitional Services Agreement.

QUAYSTREET ALTUM FUND PERFORMANCE FEE CALCULATIONS (ILLUSTRATIVE REPRESENTATION)

In calculating performance fees, the QuayStreet Altum Fund must return more than the hurdle rate since the high water mark was last set, and the unit price must be above the high water mark. Where the Fund's returns do not exceed the hurdle rate, no performance fee is paid. Where the current unit price is below the high water mark no performance fee will be accrued or paid, irrespective of the Fund's returns. The chart below shows a variety of scenarios relating to the performance of the fund against the hurdle rate and the unit price in relation to the high-water mark. The unit price performance is calculated for **illustrative purposes only and is not indicative or representative** of actual or expected returns.





8. ADDITIONAL INFORMATION ON TAX

The following statements in relation to taxation are of a general nature only and are based on current tax legislation. That legislation may change. Tax treatment may vary depending on your individual circumstances. We recommend that you seek professional tax advice. We and the Supervisor do not take any responsibility for your taxation liabilities. Returns to you are likely to be affected by taxation. The taxation rules applying to the Funds are set out below. Each of the QuayStreet Funds is a Portfolio Investment Entity (PIE). The explanation is based on each of the Funds being and remaining a PIE. Should any of the Funds cease to be PIEs, different taxation rules would apply to that Fund.

As a PIE, each Fund will attribute all taxable income (or losses) across all investors based on the number of Units held. Tax is calculated on income attributed to you at your nominated Prescribed Investor Rate (PIR). The PIR for individuals is capped at 28%.

YOUR RESPONSIBILITIES

You must advise us of your IRD number (or your foreign tax identification number if you are not a New Zealand tax resident) within six weeks of joining the Funds. You must also advise us of your applicable PIR when you join the Funds, and when your tax details change.

If you do not notify us of your IRD number (or your foreign tax identification number, as applicable) within six weeks of becoming a member of a Fund, we will cancel your investment, pay any tax owing and pay the balance of your investment to you.

If you are unsure of your PIR, we recommend you seek professional tax advice or contact the Inland Revenue Department.

It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied.

We may be instructed by the Inland Revenue to apply a PIR they have determined. The Inland Revenue will notify you directly if this occurs.

If the rate applied to your PIE Income is lower than your correct PIR you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you by the Inland Revenue.

We are required to provide you with an annual tax certificate, which will include the PIE income attributed to you and the amount of tax paid at your PIR.

HOW TO WORK OUT YOUR PRESCRIBED INVESTOR RATE (PIR)

To work out the PIR, go to ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate.



APPLYING TAX RULES TO THE FUNDS

A Fund's tax liability on PIE income is attributed to its investors and will be deducted from each investor's interests in the Fund at the following times in respect of each tax year:

- At the end of the tax year (following 31 March);
- Upon any full or partial withdrawal or switch; or
- If at any time the balance of the remaining units is, or could potentially become, insufficient to cover a Fund's accrued tax liability on income attributed to the investor. We will consider potential market movements when determining whether the remaining units are of sufficient value to cover the tax liability.

The Funds invest in foreign markets and the returns on these investments are subject to foreign withholding tax. This tax is deducted at source and the Funds receive net tax paid income. The withholding tax rates, and income determination rules may change from time to time.

If you select a PIR that is greater than 0%, then the tax paid by the Fund on your share of the income is generally a final tax (that is, the income need not be included in your income tax return). However, the tax paid by the Fund will not be a final tax if you select a PIR that is too low, if you are a trust that selects the 10.5% or 17.5% PIR, or if you have recently become a New Zealand tax resident and have elected to disregard foreign sourced income derived prior to becoming a New Zealand tax resident when calculating your PIR.

If you select a 0% PIR or tax at your PIR is not a final tax, then you will need to include your share of the income in your income tax return and pay any tax due on that income.



9. ADDITIONAL INFORMATION ON RISK

All investments involve risk. There is a chance with any investment of an uncertain outcome, where the actual return is different to what was expected.

Risk can cause the value of an investment to go up or down (i.e. be volatile). The extent of any volatility will depend on the specific investment and general market conditions. In extreme circumstances, risk can result in losses which can erode an investment's entire value.

The below identified risks are additional to those referred to in our Product Disclosure Statement.

OTHER RISKS

Other risks that are not reflected in the risk indicator include:

GENERAL BUSINESS RISK

Disruption to the operations of the Fund through such events as the loss of key personnel, failure of processes and procedures, the extended loss of power, technology failure, or the destruction of premises.

DERIVATIVE RISK

The Funds may invest in derivatives, such as forward contracts, futures, swaps and options. Derivatives may be leveraged (where the Fund's exposure exceeds the assets invested in the Fund) and small changes in the value of the underlying assets may significantly increase losses to the Fund.

COUNTERPARTY RISK

A third party may default on their obligations resulting in a loss of value in an investment.

REGULATORY RISK

Future changes to legislation or applicable regulations (including New Zealand and international taxation legislation), which could affect the operation of each Fund or unitholders' distributions or the level or nature of returns from each Fund. The Master Trust Deed could be amended in a manner that is required or permitted by law that has the effect of reducing the value of unitholders' interests or restricting access to unitholders' returns.

INSOLVENCY RISK

Any of the Funds becoming insolvent or being otherwise unable to meet their financial obligations. If this occurs, unitholders may not recover the full amount of their interest in that Fund.

PIR RISK

We may either over or underpay tax within the Funds on a unitholder's behalf, for example, as a result of a unitholder providing us with the wrong PIR or not advising us to change that rate when it needed to be changed. If tax is underpaid, the unitholder will be obliged to pay additional tax (and potentially penalties or interest) to the IRD.

PIE REGISTRATION RISK

If a Fund fails to satisfy any eligibility criteria for PIE status and that failure is not remedied within the permitted period under the Income Tax Act 2007, a Fund could lose its PIE status. If a Fund was to lose PIE status, that Fund would be taxed at the rate of 28% rather than at each unitholder's PIR. The tax exemption for gains on sale of certain New Zealand and Australian shares (including units in unit trusts) would also cease to apply to a Fund if PIE status was lost.

ASSET ALLOCATION RISK

The Fund returns are directly affected by deviation from the target asset class weighting. Asset allocation risk is the actual allocation profile generated by the mix of asset classes within a Fund. Asset allocation risk is the risk generated by the mix of defensive and growth assets within a Fund, or the sector and country investment decisions within markets. Research has shown that asset allocation is an important contributor to a Fund's overall investment return. The Funds that have more defensive assets (fixed interest and cash) are likely over time to provide a lower return with smaller fluctuations in that return. The Funds that have more growth assets (shares and property) are likely over time to provide a higher return but with larger variability in the returns from year to year.



Sometimes returns can be negative. The asset allocation risk can impact both a Fund's absolute return and its relative return compared to similar funds that have a different asset allocation.

ASSET CLASS RISK

Asset class risk involves the risks associated with two primary asset classes: defensive assets and growth assets. Defensive assets are also called "income assets" as from a tactical asset allocation standpoint they provide income rather than capital growth.

Defensive assets

Defensive assets, such as fixed interest securities, term deposits and cash, have different risk characteristics to growth assets, such as shares.

The performance of defensive assets is usually more closely aligned to changes in interest rates than growth assets. A rise in interest rates will generally result in a decrease in the value of a defensive asset and the longer the period to maturity the greater the decline in the value of a defensive asset will likely be. Credit quality will also affect value and if a company has a credit rating downgrade then the value of a defensive asset issued by it may fall. In extreme circumstances, if an issuer defaults on its obligations, a defensive asset issued by it may be worthless.

Some of these risks may be mitigated by holding securities across different issuers, with different credit quality and maturities.

Growth assets

The value of a growth asset, such as shares and property, is reflected in the market price of the asset. Prices are generally driven by a company's performance. If the company performs poorly, or if it needs to reduce or stop paying dividends, its share price will usually decline. There are also many broader market forces that can negatively affect the value of shares, such as a weak economy, increased regulation, political uncertainty or negative investor sentiment. Issues like these, as well as many others, can result in lower share prices.



10. OTHER INFORMATION / DISCLAIMERS

This information is issued by Smartshares Limited, a wholly owned subsidiary of NZX Limited. Smartshares is the manager of the QuayStreet Funds. Anyone wishing to make an application for units in the Funds should obtain a copy of the current Product Disclosure Statement and consider it before making any decision to invest.

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