



---

# Plato Investment Funds

## Other Material Information

Investment Management by Plato Investment Management Limited

This is the Other Material Information for the:

- Plato Global Alpha PIE Fund

Dated 8 May 2026

Issued by FundRock NZ Limited

---

## Contents

Introduction .....	4
Other information on the Fund.....	4
Investing through administration and custodial services .....	4
Other information on the parties involved .....	4
Manager.....	4
Investment Manager .....	5
Supervisor.....	5
Custodian.....	5
Administration Manager .....	5
Other .....	6
Manager and Supervisor's Indemnity .....	6
Material Contracts .....	6
Disclosure of Interests.....	7
Plato.....	7
Apex NZ.....	7
Investments in the Fund by related parties.....	7
Management of conflicts of interest .....	7
Explanation of Key Terms .....	8
Making an application.....	8
Issue Price .....	8
Charges .....	8
Buy/sell spreads.....	8
Annual Fund Charges .....	9
Manager's termination fees.....	9
Other charges .....	9
Supervisor's other fees .....	9
Initial service fee .....	9
Variation to fees .....	9
Additional information about performance-based fees .....	9
Distributions .....	11
Amendments to the Governing Document .....	11
Altering your investment .....	11

---

<b>Redemption of units</b> .....	<b>11</b>
<b>Minimum redemption amounts</b> .....	<b>11</b>
<b>Redemption Price</b> .....	<b>11</b>
<b>Deferral of redemptions</b> .....	<b>12</b>
<b>Suspension of redemptions</b> .....	<b>12</b>
<b>Tax on redemptions</b> .....	<b>12</b>
<b>Right to sell units</b> .....	<b>12</b>
<b>Termination of the Fund</b> .....	<b>13</b>
<b>Taxation</b> .....	<b>13</b>
<b>Portfolio Investment Entity</b> .....	<b>13</b>
<b>Withholding tax – Underlying Funds</b> .....	<b>13</b>
<b>Foreign residents</b> .....	<b>13</b>
<b>General</b> .....	<b>14</b>
<b>Short Selling</b> .....	<b>14</b>
<b>Example of short selling in investment returns</b> .....	<b>15</b>
<b>Other Risks</b> .....	<b>15</b>
<b>How risks can affect an investment</b> .....	<b>16</b>
<b>Insolvency or winding up</b> .....	<b>16</b>
<b>More information about market indices</b> .....	<b>16</b>
<b>No guarantee</b> .....	<b>17</b>

---

## Introduction

This is an important document in relation to your investment in the Plato Investment Funds ('**Scheme**') and should be read together with the Product Disclosure Statement ('**PDS**'), the Statement of Investment Policy and Objectives ('**SIPO**') and other documents held on the register at [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose) ('**Disclose Register**'). If you are a retail investor you must be given a copy of the PDS before we can accept your application for units.

This Other Material Information Document ('**Document**') has been prepared to meet the requirements of section 57(1)(b)(ii) of the Financial Markets Conduct Act 2013 ('**FMC Act**') and clause 52 of Schedule 4 of the Financial Markets Conduct Regulations 2014 ('**FMC Regulations**'). All legislation referred to in this Document can be viewed at [www.legislation.govt.nz](http://www.legislation.govt.nz).

In this Document, "you" or "your" refers to a person or entity that invests in the Scheme, whether directly or through a wrap platform or similar administration and custodial service. If you hold units through a wrap platform or similar administration and custodial service, please refer to the "Investing through administration and custodial services" (e.g. wrap platforms) section. "We", "us", "our" or "FundRock" refers to FundRock NZ Limited as the Manager of the Scheme. When we use the word "current" or "currently" in relation to any legislation, regulation, policy, information, activity or practice, we refer to these at the date of this document. Any legislation, regulation, policy, information, activity or practice may be reviewed or changed without us notifying you.

Capitalised terms have the same meaning as in the Master Trust Deed for the Establishment of Managed Investment Schemes ('**Trust Deed**') (including the relevant Scheme Establishment Deed for Plato Investment Funds and the Fund Establishment Deed for the Plato Global Alpha PIE Fund) unless they are otherwise defined in this Document.

## Other information on the Fund

This document relates to the offer of units in the Plato Global Alpha PIE ('**Fund**'). There is currently only one fund offered under the Scheme.

The Fund is constituted within a managed investment scheme called the "Plato Investment Funds". registered scheme number SCH15035. The Scheme is governed by the Trust Deed dated 1 December 2016, a Scheme Establishment Deed dated 9 April 2026, and Fund Establishment Deed dated 9 April 2026 (together the 'Governing Documents' for the Scheme). The Fund is invested in accordance with the SIPO. You can get an electronic copy of the Governing Documents and SIPO from the scheme register on the Disclose website [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose).

## Investing through administration and custodial services

The Fund is offered through certain administration and custodial services. These include "wrap platforms". When you invest through an administration and custodial service you do not hold units in the Funds directly. Instead, your units are held in the name of a custodial entity for the wrap platform on your behalf. This means many of the legal rights attaching to those units are held by that custodial entity rather than by you, and so your ability to exercise those rights is subject to the terms and conditions agreed between you and the provider of the service. You are encouraged to familiarise yourself with those terms and conditions as set out in the service provider's marketing and legal documentation.

## Other information on the parties involved

### Manager

FundRock is a fund management company specialising in establishing and managing New Zealand-domiciled funds. With a deep understanding of New Zealand's investment management industry, FundRock works with both local and global investment managers to enable investors to access these specialist managers' investment expertise within funds and solutions that have been tailored for New Zealand's tax and legislative environment.

---

FundRock was granted a licence to act as the manager of a registered scheme under the FMC Act by the Financial Markets Authority ('FMA') on 25 August 2015. The licence is subject to us maintaining the same or better standard of capability, governance and compliance as was the case when the FMA assessed our licence application. The licence is subject to the normal conditions imposed under the FMC Act and the FMC Regulations, and the standard conditions imposed by the FMA.

The names and contact details for directors and information on the shareholders of FundRock are available at [www.companiesoffice.govt.nz/companies](http://www.companiesoffice.govt.nz/companies). This information may change from time to time without notice to you.

## Investment Manager

The current investment manager for the Fund is Plato Investment Management Limited ('Plato' or 'Investment Manager').

Plato is an investment management firm specialising in objective-based global and Australian equity investment solutions for wholesale and retail investors.

Plato was founded in Sydney, Australia, in 2006 and is majority owned and operated by its investment staff. Plato is supported by its minority equity partner, Pinnacle Investment Management Limited ('Pinnacle'), a leading multi-affiliate investment management firm.

Plato is a stable, research led organisation focused on and aligned to client outcomes. The firm's strategies today encompass global and Australian equities that are tailored to specific investor objectives of wealth accumulation, income generation and downside protection.

As Investment Manager, Plato is responsible for investing the assets of the Fund in compliance with the Scheme's SIPO.

## Supervisor

The Supervisor of the Scheme is Public Trust. Public Trust is independent of us.

Public Trust is a statutory corporation and Crown entity established and constituted in New Zealand on 1 March 2002 under the Public Trust Act 2001.

The Supervisor is responsible for supervision of FundRock and the Scheme, including:

- acting on behalf of the Fund's investors in relation to FundRock and any contravention of FundRock's issuer obligations;
- supervising the performance by FundRock of its functions and the financial position of FundRock and the Scheme; and
- holding the Fund's assets or ensuring that the assets are held in accordance with applicable legislative requirements through an independent custodian.

The Supervisor was granted a licence under section 16(1) of the Financial Markets Supervisors Act 2011 to act as a supervisor in respect of managed funds.

## Custodian

Public Trust ('Custodian') is the custodian of the Scheme's assets.

As required by the FMC Act, the Custodian is independent of us.

## Administration Manager

FundRock has appointed Apex Investment Administration (NZ) Limited ('Apex NZ') as the administration manager ('Administration Manager') for the Scheme. Key roles undertaken by Apex NZ include:

- unit pricing;
- fund accounting; and
- investor registry services. An electronic register for the Fund is kept at Apex NZ.

---

## Other

Other key parties currently employed by FundRock in relation to the Scheme are:

Party	Role
PricewaterhouseCoopers	Auditor
DLA Piper New Zealand	Legal adviser

## Manager and Supervisor's Indemnity

Both we and the Supervisor are entitled to be indemnified out of the Fund. The indemnity covers any personal liability (including Portfolio Investment Entity ('PIE') tax) incurred by or on behalf of the Fund, or any action taken or omitted in connection with the affairs of the Fund (other than in respect of our or the Supervisor's negligence, wilful default or wilful breach of trust). It also covers the costs of any litigation or other proceedings in which such liability has been determined (including legal fees and disbursements). The indemnity ranks in priority to the claims of investors. It is subject to the limits on permitted indemnities under the FMC Act including that the indemnity is only available where we and the Supervisor have properly performed our duties under the FMC Act.

We and the Supervisor, in incurring any debts, liabilities or obligations or in taking or omitting any other action for or in connection with the affairs of the Fund, are each deemed to be acting for and on behalf of the Fund and not in our own respective corporate capacities.

Neither the Supervisor nor we, (except as otherwise expressly provided in the Governing Documents) are under any personal liability, nor may resort be had to our private property, for the satisfaction of any obligation of the Fund (other than in respect of our or the Supervisor's negligence, wilful default or wilful breach of trust).

## Material Contracts

The following material contracts are in place in relation to the Fund:

- On 1 December 2016, we and Public Trust entered into the Trust Deed for the Establishment of Managed Investment Schemes. The Deed appointed the Supervisor as supervisor, and the Manager as manager of any schemes established under the Deed.
- On 9 April 2026, we and Public Trust entered into the Scheme Establishment Deed for the Plato Investment Funds which established the Scheme.
- On 9 April 2026, we and Public Trust entered into the Fund Establishment Deed for the Plato Global Alpha PIE Fund which established the Fund under the Scheme.
- On 1 December 2016, we entered into a Supervisor Reporting Agreement with the Supervisor that sets out the arrangements between us and the Supervisor in relation to certain operational matters. The Supervisor Reporting Agreement specifies the reporting and information to be provided by us to the Supervisor, the requirements for operating bank accounts and record-keeping. Nothing in the Supervisor Reporting Agreement limits or alters the powers of the Supervisor or our duties under the Governing Documents and applicable law. On 20 April 2026, this Supervisor Reporting Agreement was updated to include the Fund.
- On 26 August 2016 we and Apex NZ entered into an Administration Agreement under which FundRock delegated certain administrative functions in relation to funds managed by us to Apex NZ, including registry, fund accounting and unit pricing. On 8 April 2026, Apex NZ and FundRock updated the current agreement to include the Plato Global Alpha PIE Fund.
- On 1 May 2026, we entered into an Investment Management Agreement with Plato Investment Management Limited. Under the agreement, Plato is responsible for investment of assets of the Fund under normal market terms.
- On 1 May 2026, we and Plato Investment Management Limited entered into a Fund Hosting Agreement formalising the framework within which FundRock is engaged by Plato to establish and manage the Scheme. Under this agreement FundRock is responsible for issuing, administering, and managing the Scheme, with Plato being appointed as the Investment Manager of the Fund. The agreement covers broadly the investment management, administration and marketing, branding, advertising and the preparation of offer documents as relevant to the Scheme and the Fund.

---

## Disclosure of Interests

Circumstances where potential or actual conflicts of interest may arise in relation to the Fund and our policy on managing such conflicts are discussed below.

### Plato

The Investment Manager intends to invest substantially all the assets of the Fund into the Plato Global Alpha Fund ('**Underlying Fund**'), a registered Australian managed investment scheme. Plato also acts as the investment manager for the Underlying Fund. Plato, in its role as investment manager for the Fund (representing a single investor in the Underlying Fund) may have a potential conflict when acting as the investment manager for the Underlying Fund (representing all investors in the Underlying Fund).

We manage this potential conflict by certifying to the Supervisor that the Fund's investment into the Underlying Fund is on arms' length commercial terms or better.

### Apex NZ

Both we, and the Scheme's registry and administration manager, Apex NZ, are ultimately owned by Apex Group Limited. This common ownership may influence us to agree commercial terms with Apex NZ that are more favourable to Apex NZ than would otherwise be the case. If that happened, it would benefit the interests of Apex NZ at the expense of the interests of investors. We manage this potential conflict of interest by certifying to the Supervisor that the arrangement with Apex NZ is on arms' length commercial terms and by complying with our Conflicts of Interest Policy in respect of our relationship with Apex NZ.

### Investments in the Fund by related parties

Parties related to the Fund, including the staff of Plato and their families, and the staff of FundRock and their families may from time to time invest in the Fund.

## Management of conflicts of interest

The FMC Act imposes statutory controls on related party transactions and conflicts of interest:

- A related party transaction in respect of the Fund may only be done if the details are notified to the Supervisor and we: 1) certify the transaction (or series of transactions) is "permitted" on the basis that the transaction is on arm's length terms; or 2) we obtain the Supervisor's consent on the basis that it is in the best interests of investors, or contingent on Special Resolution approval by investors.
- As Manager of the Fund, we are subject to various statutory duties in the performance of our duties as Manager, including the requirement to act honestly and in the best interests of investors.
- Where we contract out our functions to other parties, such as the investment management of the Fund to Plato, we must ensure the persons to whom we contract those functions perform them to the same standard and subject to the same duties and restrictions as if we were performing them ourselves. These include the statutory duties referred to above. We must also monitor the performance of that function.
- Plato, as Investment Manager of the Fund, must comply with a professional standard of care in exercising any powers or performing any duties as investment manager. Plato must exercise the care, diligence, and skill that a prudent person engaged in the profession of investment management would exercise in the same circumstances.

We have built these statutory controls into our internal compliance processes and procedures. We have conflicts of interest and related party transactions policies and procedures ('**Policies**') which extends the statutory duties imposed on us to our staff members.

The Policies define what a conflict of interest is and provides for reporting and disclosure of conflicts of interest to the Board, Manager and Directors.

---

## Explanation of Key Terms

The information below is a summary of the key provisions of the Governing Documents. For a detailed description of the Fund's and Scheme's governing terms, please refer to the Governing Documents held on the scheme register at <https://disclose-register.companiesoffice.govt.nz/>. If there is any conflict between information in this Document and the terms of the Governing Documents then the terms of the Governing Documents prevail.

### Making an application

The application process is described in the PDS.

### Issue Price

If we accept your application, you will be issued units in the Fund at the Issue Price. The Issue Price is the net asset value per unit in the Fund, plus an amount per unit calculated to reflect the cost of acquiring investments following the issue of units ('buy spread') and other administrative costs relating to the sale or issue of units. For the current buy spreads for the Fund refer to [www.fundrock.com/fundrock-new-zealand/frnz-documents-and-reporting/](http://www.fundrock.com/fundrock-new-zealand/frnz-documents-and-reporting/). The Issue Price of a unit is generally determined on each Business Day ('Valuation Time').

The value of the assets held by the Scheme and the net asset value of the Fund will be determined in accordance with the Scheme's Governing Documents and on a consistently applied basis.

If an application is received and accepted before the cut-off time of the Fund on a Valuation Time, units will be issued at the Issue Price determined at that Valuation Time (unless we determine otherwise at our discretion). If an application is received and accepted at or after the cut-off time on a Valuation Time, units will be issued at the Issue Price determined at the next Valuation Time (unless we determine otherwise at our discretion).

The cut-off time for the receipt of applications and cleared funds for the Fund is currently 11am New Zealand time.

The Fund invests into an Underlying Fund located outside New Zealand (i.e. Australia). In some circumstances (e.g., where there is a public holiday in the jurisdiction of the Underlying Fund or security; where a significant proportion of the markets in which the Underlying Fund invest are closed; or when unit prices for the Underlying Fund are not available as its distributions are being calculated and paid) it may not be possible to determine the Issue Price of a unit for the Fund because there is no valuation data available for the Underlying Fund or security. In these cases, the Issue Price may be determined on the next Business Day on which valuation data is available for the Underlying Fund or security. Alternatively, with the permission of the Supervisor, the Issue Price may be determined by applying an index movement to the previous day's price.

If a payment is dishonoured or reversed, no units will be issued in respect of that payment or any units issued based on that payment will be cancelled.

## Charges

### Buy/sell spreads

Buy or sell spreads can be charged on an investor's contribution to or withdrawal from the Fund. The amount charged is retained in that Fund to pay the costs of buying or selling Fund assets. Charging a buy or sell spread ensures that transaction costs are borne by the individual investor initiating the cashflow, rather than being borne by other investors in that Fund. Where the Fund does not have a spread this may have the effect of decreasing performance over time for all investors.

The Issue Price for the Fund includes a buy spread that provides for the cost of acquiring investments in that Fund. The Redemption Price for the Fund includes a sell spread that provides for the cost of realising investments in that Fund. For the most up to date buy/sell spreads see [www.fundrock.com/fundrock-new-zealand/frnz-documents-and-reporting/](http://www.fundrock.com/fundrock-new-zealand/frnz-documents-and-reporting/).

We review the buy/sell spreads from time to time. Buy/sell spreads are indicative only and may apply to each investment/redemption and be a cost to you.

---

## Annual Fund Charges

The estimated annual fund charges ('Annual Fund Charges'), which include management fees, are outlined in the PDS for the Scheme. The Annual Fund Charges include fees and costs charged by us, the Supervisor, Custodian, Administration Manager, Investment Manager, registrar and auditor. It may also include professional fees (for example, legal and tax advice fees) and index license costs. These charges may be directly charged to the Fund or recovered by us from the Fund. The Annual Fund Charges also include any investment management fees deducted within an underlying fund or paid to an underlying investment manager.

The GST treatment of each component of the Annual Fund Charges varies. For example, GST is charged at 15% on the audit fee, while custody fees are an exempt supply for the purposes of GST. These percentages vary, and may change in the future, which is why GST and total Annual Fund Charges have been estimated.

The Annual Fund Charges are calculated daily and paid monthly in arrears. We may waive or decrease the Annual Fund Charges without notice. Subject to any maximum amount in the PDS we may increase the management fee or, provided that any proposed new or additional fee is permitted, we may charge a new or additional fee not currently being charged by giving you at least three months' notice.

## Manager's termination fees

If the Fund terminates, we may charge that Fund a fee and recover costs and disbursements from that Fund for matters relating to termination. You may ask us how much that fee was following termination. Further information on termination fees recoverable by the Manager or Supervisor are contained in the Governing Documents.

## Other charges

The Fund will incur other trading costs or exceptional expenses. These other expenses do not form part of the Fund Charges. Some of these expenses may be paid to us or the Administration Manager. There is no limit on these expenses, which will be shown in the Fund's financial statements.

## Supervisor's other fees

The Supervisor may charge additional fees to the Fund for special services (e.g., on wind up of the Fund).

## Initial service fee

While we have no current intention to do so, we may charge an initial service fee determined by us on the issue of any unit. Any initial service fee, if it were to be charged, would be in addition to any buy spread.

## Variation to fees

We may, in our absolute discretion, rebate the buy and sell spread and/or Annual Fund Charges (which includes management fees) by agreement, with an investor, or a group of investors.

## Additional information about performance-based fees

The performance-based fee is equal to 15% of the Fund's outperformance (net of management fees) relative to its benchmark return, multiplied by the net asset value of the Fund. The performance-based fee is calculated and accrued each Business Day. The Benchmark used for calculating the performance-based fee is the MSCI World Net Total Return Index in New Zealand dollars. If the benchmark ceases to be published, we will nominate an equivalent replacement index.

The performance-based fee is calculated each Business Day and may be positive or negative. If the performance fee is positive, the amount is incorporated in the Fund's unit price. If the performance-based fee is negative, the negative amount will be carried forward. The performance-based fee amount payable by the Fund is equal to the total daily performance-based fee accrual for each semi-annual period, ending 30 June and 31 December. The Investment Manager will only be paid the performance-based fee if the Fund's total daily performance-based fee accrual is positive at the end

of each period. That is, any previous negative performance fee accruals generated when the Fund underperformed the benchmark have been recovered.

### Performance-based fee calculation worked example

The worked example in the following table is shown only for the purpose of illustrating how the performance-based fee may be calculated for two unrelated days only and assumes there are no applications or withdrawals made during each day.

The daily performance-based fee accrual is actually calculated as the day's opening net asset value excluding the performance fee accrual plus any applications, minus any withdrawals (both assumed to be nil in the examples), multiplied by the Fund's daily out or underperformance of the benchmark, multiplied by 15% (performance fee rate).

The day's performance-based fee accrual is then added to the performance fee accrual balance (carried over from the previous day) to give the total performance fee for the period. The actual performance in the ordinary course of business, the unit price, the benchmark, and the hurdles may all fluctuate during the period. It is also important to note the below table is not an indication of the expected or future performance of the Fund, and that actual performance may differ materially from that used in the following worked example.

Fee components	Example A (Fund outperforms benchmark)	Example B (Fund underperforms benchmark)
Performance fee rate	15%	15%
Opening net asset value excluding performance-based fee accrual	\$10,000,000	\$10,000,000
Fund daily return	0.35%	-0.25%
Benchmark daily return	0.05%	0.05%
Daily out/underperformance of the benchmark	0.30%	-0.30%
Performance-based fee accrual (carried over from previous day)	\$20,000	\$20,000
Daily performance-based fee accrual	\$4,500	-\$4,500
<b>Total performance-based fee accrual<sup>1</sup></b>	<b>\$24,500</b>	<b>\$15,500</b>

### Units withdrawn during a calculation period

Withdrawal proceeds are paid net of any accrued performance fee.

Where the performance fee accrual is negative, and the number of units decreases (for example, due to net withdrawals), the negative accrual is reduced in proportion to the decrease in units.

For example, if 5% of units are withdrawn, the negative performance fee accrual is reduced by 5%.

An implication of this mechanism is that net redemptions for units could cause negative performance fee accruals to be recovered earlier than if no adjustment to the negative performance fee accrual were made, provided that the Fund subsequently outperforms the benchmark.

This means that, if the Fund subsequently outperforms the benchmark, negative fee accruals may be recovered more quickly than if no adjustment was made.

No equivalent adjustment applies when the number of units increases.

<sup>1</sup> If the performance fee accrual was positive on the last day of the performance period, a performance fee would be payable equal to the performance fee accrual (includes the net effect of GST).

---

## Distributions

The Fund does not currently distribute income or capital gains but may elect to do so in the future. Any income or capital gains will be included in the unit price calculated for the Fund.

## Amendments to the Governing Document

We can agree with the Supervisor to change the Governing Documents in certain circumstances and without consulting you. This ability is, however, subject to certain protections (for your benefit) as set out in the Governing Documents and relevant law.

## Altering your investment

We may alter or introduce minimum application amounts, holding amounts, transfer amounts and redemption amounts for the Fund at any time. We may allow applications, holdings, transfers and redemptions for less than those minimums at our discretion.

We may decrease or waive the management fee for the Fund at any time without notice.

We can change the SIPO. Before making changes to the SIPO, we will consider if the changes are in your best interests. We will give notice of changes to investors in the Fund prior to effecting any material changes.

Payment of Redemption Requests may be suspended or deferred. Details of when this may occur are included in the "Redemption of units" section.

We may resolve to wind up the Fund. In that case, all assets of that Fund will be realised and that Fund wound up (as explained in the "Insolvency or winding up" section).

We may take all steps necessary to ensure the Fund remains eligible to be a PIE. This includes our ability to compulsorily redeem some or all of your units and pay the net proceeds to your nominated bank account.

## Redemption of units

### Minimum redemption amounts

If your holding in the Fund falls below the minimum holding amount fixed by us from time to time or if we determine that an adjustment for PIE tax would reduce your holding to below that minimum holding amount, we may redeem your entire holding and pay the net proceeds into your nominated bank account. We will give you at least one month's notice of our intention to do this.

The current minimum holding amount in the Fund is \$15,000.

If a Redemption Request would cause your holding in the Fund to fall below the minimum holding amount (as determined by us from time to time) we may treat the Redemption Request as a request to redeem all your units in that Fund.

### Redemption Price

When you redeem all or part of your investment from the Fund, we will redeem your investment at the unit price for that Fund, adjusted for the applicable sell spread for that Fund.

If a redemption is received and accepted before the cut-off time of the Fund on a Valuation Time, units will be redeemed at the Redemption Price determined at that Valuation Time (unless we determine otherwise at our discretion). If a redemption is received and accepted at or after the cut-off time on a Valuation Time, units will be redeemed at the Redemption Price determined at the next Valuation Time (unless we determine otherwise at our discretion).

The cut-off time for the receipt of Redemption Requests for the Fund is currently 11am New Zealand time.

---

If an investor's Redemption Request is in a format approved by the Manager, payment will generally be made within seven Business Days of our receiving a redemption request from you. The Trust Deed requires us to pay a redemption request within 30 business days of our receiving a Redemption Request from you unless a deferral or suspension of redemptions is in effect (as described below).

## Deferral of redemptions

Fund redemptions may be deferred if:

- we receive one or more Redemption Requests, within 60 Business Days, that total more than 10% of the Fund's units on issue; and
- we consider deferral to be in the general interests of all Fund investors.

We must notify the Supervisor of our intention to defer redemptions as soon as reasonably practicable.

If redemptions are deferred, in accordance with the Trust Deed, then those units that have been subject to the redemption deferral may be repurchased or redeemed by instalments at the Valuation Times for a period determined by us or in total at the end of a period determined by us. In either case, the Redemption Price is to be calculated at the Valuation Time or Valuation Times on which units are repurchased or redeemed.

## Suspension of redemptions

We may suspend redemptions where we in good faith form the opinion that it is not practicable, or would be materially prejudicial to the interests of the Fund's investors for the Supervisor to realise assets or borrow to permit unit redemptions.

Particular reasons for suspension mentioned in the Trust Deed are:

- a decision to wind up the Fund;
- financial, political or economic conditions applying in respect of any financial market or other markets in which Authorised Investments may be sold;
- the threat to the Fund's eligibility for PIE status;
- the nature of any asset or investment;
- the suspension of redemptions in an underlying fund into which the Fund invests; and
- the occurrence or existence of any other circumstance or event.

If redemptions are suspended, we must give notice to all investors who have made a Redemption Request. If the suspension is for a period of more than two weeks, we must give notice to all investors in the Fund.

The suspension will continue until:

- we give notice that the suspension is concluded;
- the expiry of any period stated in the Establishment Deed or where no such period is stated in the Establishment Deed, six months after the date of the notice; or
- such other date as may be approved by a Special Resolution of investors.

A Redemption Request may not be suspended for a period exceeding six months after its receipt (or such other date as is approved by Special Resolution of investors). When Redemption Requests are suspended, in accordance with the Trust Deed, the Redemption Price payable to investors will be calculated on the last Business Day of the period of the suspension.

## Tax on redemptions

Where units are redeemed, the tax liability on income allocated to you up to the redemption date will generally be satisfied by cancellation of units on redemption.

## Right to sell units

You may sell and transfer all or any of your units (either to an existing investor or another person) by completing a Transfer Request Form, to be signed by the transferor and transferee. The transfer becomes effective when it is entered in the Register.

---

We may decline to register any transfer in our absolute discretion and without giving any reasons. Without limiting this discretion, we may decline a transfer due to:

- non-compliance with any law or the provisions of the Establishment Deed; or
- the transfer resulting in the transferee or the transferor holding less than the minimum holding or more than the maximum holding; or
- the transfer resulting in the Fund becoming ineligible as a PIE or threatening such eligibility.

No transfer of any units can be registered unless any sums owed in respect of those units (including any applicable PIE tax, or other duties or any commissions, fees and charges in respect of the transfer of the units) have been paid.

## Termination of the Fund

The Fund will terminate on the first of the following:

- the date of termination (if any) notified in writing by us and the Supervisor to each investor of the Scheme, or the Fund, which will be at least three months after the date of the notice;
- 80 years less two days from the date of the Master Trust Deed; or
- the date on which investors determine to terminate the Scheme or the Fund by Special Resolution.

## Taxation

This section briefly summarises the taxation regime as it currently applies to the Fund. It is intended as a general guide only. There may be changes to the taxation legislation and tax rates in the future which may impact each investor differently. Investors should always seek independent professional taxation advice for their individual circumstances.

## Portfolio Investment Entity

The Fund has elected to be a PIE.

Under the PIE regime, the Fund will allocate its taxable income to investors and, where applicable, pay tax on allocated income on behalf of investors for an investor with a prescribed investor rate (“PIR”) of greater than zero. The Fund will undertake any necessary adjustments to an investor’s interests in the Fund to reflect that the Fund pays tax at varying rates on behalf of investors.

As at the date of this OMI, the Fund gains exposure to global shares via an Underlying Fund, which holds these shares directly. For New Zealand tax purposes, these investments will generally be taxed under the Fair Dividend Rate (“FDR”) method whereby 5% of the opening market value of the global shares is taxable income to the Fund each year. The method of calculation of taxable income may change without notice.

Investors will not pay tax on distributions (if any) paid to investors from the Fund. You can find out more about PIE funds and how they are taxed on the Inland Revenue website ([www.ird.govt.nz](http://www.ird.govt.nz)). Search for ‘PIE for Investors’.

## Withholding tax – Underlying Funds

The Fund currently invests through an Underlying Fund. The Underlying Fund may have foreign withholding tax deducted from income that it receives. However, withholding tax or income received by the Underlying Fund is not recognised under New Zealand tax law and therefore cannot be utilised against any PIE tax liability related to investments in the Fund.

## Foreign residents

The Fund has elected to be a foreign investment variable-rate PIE.

For eligible foreign residents who have sufficiently completed and provided to us a notified foreign investor ('NFI') form (available on request), tax will be calculated and paid by the PIE based on the type and source of income allocated to the NFI, as follows:

All non-New Zealand sourced income, fully imputed dividends, income from New Zealand based financial arrangements excluding interest covered below	0%
New Zealand interest income	1.44%
New Zealand dividend income, to the extent it is unimputed, is taxed based on whether the investor is resident in a country with which New Zealand hold a double tax agreement ('DTA') that reduces the dividend withholding tax rate below the standard 30%	15% (DTA); 30% (no DTA)
Other New Zealand sourced income (if any)	28%

Once every year the Fund must check that its investors are still NFIs.

## General

Investors must advise FundRock of their PIR and IRD number when applying to invest in the Fund and if their PIR changes at any time. If an investor does not provide their PIR to FundRock they will automatically be taxed at the maximum default rate of 28%.

If you are a New Zealand tax resident individual and 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.

Investors that are New Zealand tax resident trusts may elect a rate of 0%, 17.5%, 28% and in limited circumstances, 10.5%. Unless a 28% rate is applied, PIE income and credits must be included in a trust's income tax return, with a credit claimed for any PIE tax paid.

Other non-individual New Zealand resident investors with a PIR of 0% must include PIE income and credits in their own income tax returns.

The Commissioner of Inland Revenue can require FundRock to disregard a PIR notified by an investor if the Commissioner considers the rate to be incorrect. The rate specified by the Commissioner would then apply to that investor's attributed income.

Taxable income is attributed annually to 31 March, or at any time an investor withdraws all or part of their investment from the Fund.

If there is a tax loss or there are excess imputation credits allocated to an investor for a period, these will generally be available to investors with a PIR other than 0% in the form of a rebate. The Fund will either re-invest this rebate by purchasing units in the Fund on an investor's behalf in respect of annual attributions as at 31 March or include it in the net proceeds payable to that investor or applied on their behalf as a result of a full withdrawal.

For trusts that have chosen a PIR other than 28%, and New Zealand resident investors with a 0% PIR, the tax loss should be available to include in that investor's tax return along with any attributed tax credits (although a tax credit may not be claimed for attributed foreign tax credits).

## Short Selling

A "long position" in a security means the holder of the position owns the security and will profit if its price security goes up. A "short position" in a security means the holder of the position is seeking to profit from the price of that security falling. Generally, a person (in this case, the Underlying Fund) borrows shares from an owner of stock, who charges a fee for the service. The Underlying Fund then sells the shares to another investor, receiving cash. The Underlying Fund expects to buy the shares back more cheaply when the price falls, returning them to their rightful owner. The difference between the two prices (after fees) is the profit. A similar outcome can be achieved by using contracts for difference ('CFD').

The Underlying Fund will take short positions in securities that Plato expects to fall in value, through derivatives or through borrowing securities and selling them. In taking short positions, the Underlying Fund bears the risk of an increase in price of the underlying asset over which the short position is taken. The key difference between a long position and a short position is that a short position involves the unlimited risk of an increase in the market price of the securities underlying the short position. Such an increase could lead to a substantial loss.

## Example of short selling in investment returns

Below is a hypothetical example showing the potential gains and losses from short-selling. It does not take into account transaction costs or any other expenses associated with stock trading.

An investor believes that the price of XYZ stock is due to fall. XYZ's current price is \$25, and the investor executes a direct short-sell order, borrowing 100 shares from a stock lender and immediately selling them on the market. This results in a cash inflow of \$2,500.

Two weeks later, the price of XYZ has dropped to \$20. To close the short selling position, the investor buys the shares on the market and returns them to the stock lender. In this transaction, the investor spends \$2,000 to repurchase the shares. The investor has received \$2,500 and spent only \$2,000, so the profit on the trade is \$500.

In a CFD, the Underlying Fund is exposed to the same economic outcome as in the example above, however, it does not directly borrow and sell the stock. Assuming the same price movements between the opening and closing of the relevant contract, the Underlying Fund would receive \$500 from the counterparty.

Alternatively, if, after two weeks, the price of XYZ had risen to \$30, the investor would have had to buy the shares back on the market for a cost of \$3,000 to be able to return them to the lender. In this situation, the investor would have received \$2,500, but spent \$3,000, leaving the investor with a loss of \$500. In a CFD, the Underlying Fund would pay the counterparty \$500.

Trade	Income/Cost	Trade	Income/Cost
Sell XYZ Share at Day 1	\$ 2,500	Sell XYZ Share at Day 1	\$ 2,500
Buy XYZ Share at Day 14	-\$ 2,000	Buy XYZ Share at Day 14	-\$ 3,000
Profit	\$ 500	Loss	-\$ 500

## Other Risks

The PDS for the Fund describes the key risks associated with investments in the Fund. Further information is provided below. Different investments have different types of risks. We recommend that you seek professional advice before investing in the Fund to understand what risks are associated with this investment, especially in relation to your circumstances.

**Fund risk:** These are risks specific to the Fund. These risks include that the Fund could terminate; the fees and expenses of the Fund could change; FundRock may be replaced as Manager; or that the Plato investment team may change. FundRock aims to keep fund risk to a minimum by monitoring the Fund and the investments of the Fund at all times and by acting in investors' best interests.

**Fund of fund risk:** The Fund invests in the Underlying Fund and is subject to certain risks associated with an investment in the Underlying Fund, including but not limited to exposure to the investment strategy, performance of and fees and costs (if any) associated with the Underlying Fund.

**Regulatory risk:** Regulatory risk arises from regulatory or taxation changes introduced by a government or a regulator, which may affect the value of securities in which the Fund invests. These regulatory or taxation changes may occur in New Zealand or other countries in which the Fund invests. In many foreign countries there is less government supervision and regulation of stock exchanges, brokers, and listed companies than in New Zealand, which may result in greater potential for fraud or market manipulation. There is also the risk of substantially more government involvement in the economy in foreign countries, as well as, the possible arbitrary and unpredictable enforcement of securities regulations and other laws, and the possibility of sanctions being imposed against issuers in various sectors of certain foreign countries, each of which may limit the ability of the Fund to invest in or sell securities of foreign issuers. Regulatory risk is managed by FundRock by regularly and closely reviewing changes in the law and seeking expert legal advice where necessary.

---

**Administration risk:** This is the risk that instructions in relation to your investments in the Fund have not been accurately relayed or processed or that fraudulent instructions are acted upon. FundRock, the Investment Manager, and the Administration Manager will follow reasonable electronic instructions in good faith. Whilst we cannot always detect fraudulent instructions, we will apply best endeavours to mitigate this risk.

**Operational risk:** This refers to a range of risks associated with the operation of the Fund and includes human error, systems breakdown, external threats and other factors beyond the Manager's control.

**Cybersecurity risk:** The Fund's Manager, Investment Manager, Supervisor and service providers' use of internet, technology and information systems may expose the Fund to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorised party to gain access to proprietary information, customer data, or Fund assets, or cause us, Plato, the Supervisor or any other service provider to suffer data corruption or the loss of operational functionality.

## How risks can affect an investment

The actual or perceived existence of risk may manifest itself in uncertainty, which in turn increases volatility of investment returns. When the collective sentiment of the market is positive, prices rise; when it is negative, prices fall. If specific risks eventuate a total loss of capital may occur. Each investment will be affected by a different combination of risks.

Because of these risks, it is foreseeable that an investor may receive back less than the capital invested by the investor into the Fund. However, the investor will not be required to pay more money than the amount the investor invested in that Fund (with the exception of any PIE tax liability that may be incurred).

## Insolvency or winding up

You will not be liable to pay money to any person as a result of the insolvency or winding up of the Fund (except as described below).

You will be liable to meet any tax liability attributable to you which exceeds the value of your investment in the Fund (in which case you indemnify the Supervisor for the difference between the value of the units and the tax liability). A custodian that holds legal title to units on behalf of underlying investors and elects to be a proxy for PIE investors will, under the terms of the application form attached to the PDS, be asked to indemnify us and the Supervisor for any losses, liabilities, costs or expenses arising from any breach (in relation to underlying investors that such custodian is responsible for) of the investor interest size requirements under section HM 15 or the investor membership requirements under section HM 14 of the Income Tax Act 2007, including the losses, liabilities, costs or expenses arising from the Fund losing PIE status.

On insolvency or winding up of the Fund, the assets of that Fund are first applied to meet the claims of any creditors of that Fund (whether preferred, secured or unsecured), which includes the Supervisor's and Manager's claims for fees and expenses. Following this, the remainder of the assets of the Fund will be distributed to investors in proportion to the number of units held.

At the date of this document there are no other claims on the assets of the Scheme that rank ahead of or equally with the claims of investors. In certain circumstances, you may receive assets other than cash (e.g. securities in another investment held by the Fund) as part of a wind up.

## More information about market indices

The returns of the Fund are measured against the benchmark described in the SIPO. More information about this benchmark can be found at [www.msci.com](http://www.msci.com).

---

## **No guarantee**

Neither the Supervisor, Manager, Investment Manager nor any other person guarantees or provides undertakings in relation to the return of capital invested in any Fund by an investor, the payment of any return on capital, or provision of any distribution or payment of any money in relation to any Fund, or the performance of any Fund. An investor's investment is not secured against any assets.