

# RESOLUTION CAPITAL

## RESOLUTION CAPITAL INVESTMENT FUNDS

FOR AN OFFER OF UNITS IN THE RESOLUTION CAPITAL GLOBAL  
PROPERTY SECURITIES PIE FUND

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INFORMATION MEMORANDUM

DATED: 16 AUGUST 2024

ISSUED BY: FUNDROCK NZ LIMITED

INVESTMENT MANAGEMENT BY RESOLUTION CAPITAL LIMITED

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## Important Information

This Information Memorandum ('IM') is issued and prepared by FundRock NZ Limited (NZBN 9429031398602) ('Manager' or 'FundRock') as Manager of the Resolution Capital Investment Funds ('Scheme'), and provides general information about the Resolution Capital Global Property Securities PIE Fund ('Fund') for you to consider when deciding whether to apply for units in the Fund ('units').

Public Trust is the Independent Trustee ('Independent Trustee') of the Fund.

The Manager has appointed Resolution Capital Limited ABN 50 108 584 167 AFSL 274491 ('Resolution Capital' or 'Investment Manager') as the investment manager of the Fund.

None of the Manager, the Independent Trustee, or the Investment Manager guarantees the performance of the Fund or the return of capital or income. To the maximum extent permitted by law, the Manager, the Independent Trustee and the Investment Manager disclaim any liability arising from any information provided in this IM (including any errors or omissions).

All monetary amounts referred to in the IM are given in New Zealand dollars. Any calculation examples shown are rounded to the nearest whole dollar.

A reference to a 'Business Day' is a reference to a day which is not a Saturday, Sunday or public holiday in Wellington, New Zealand.

## Updated information

The information in this IM is stated as at the date on the cover page. The information in the IM may change over time. The Manager may update this information and make it available to you. You may also ask for updated information by contacting the Manager.

## General advice warning

The information in this IM is general information only. To the extent the information in the IM constitutes financial advice, that advice does not take into account your individual objectives, personal financial situation or needs. Before investing, you should consider the appropriateness of the advice in light of your own objectives, financial situation and needs. It is strongly recommended that you consult a licensed financial advice provider to obtain financial advice that is tailored to suit your personal circumstances.

## Selling restrictions in New Zealand

In New Zealand, this document and any offer of units under this document, is available only to persons who are 'Wholesale Investors', as defined in clause 3(2) and 3(3)(a) of Schedule 1 of the Financial Markets Conduct Act 2013 ('FMCA') or to persons who are not otherwise required to receive disclosure under Part 3 of the FMCA. This document is not a product disclosure statement or PDS for the purposes of the FMCA and does not include all the information typically included in such offering documentation. The offer of units under this document is not a 'regulated offer' for the purposes of the FMCA and is not subject to substantive regulation under New Zealand law by any New Zealand regulator.

If you are a Wholesale Investor, as defined by the FMCA, the usual rules do not apply to offers of financial products made to you. As a result, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for these investments. Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

## Selling restrictions in other jurisdictions

The offer is available to persons receiving this IM within New Zealand but does not constitute an offer of units in any jurisdiction where, or to any persons to whom, it would be unlawful to make that offer.

This IM does not constitute an offer to sell or the solicitation of an offer to buy any securities or other financial products other than units. It is the responsibility of any person located outside New Zealand to ensure compliance with all laws of any country relevant to the offer. By making an application for units, you represent and warrant that there has been no breach of any relevant laws and that all approvals and consents have been obtained.

Units in the Fund may not be offered or sold within the US, or sold to, or for the account or benefit of, any 'US Persons' as defined in Regulation S of the US Securities Act 1933.

#### **Conditions of receipt**

This IM is supplied personally to the recipient and is not made generally available to the public. By receiving this IM, you agree to the conditions set out in it and by applying for units, you agree to receive communications about the Fund and your units by email or in any other electronic format.

The Manager reserves the right to reject any application for units in its complete discretion and without giving reasons. None of the Manager, the Independent Trustee or the Investment Manager will be liable to any applicant for any costs or expenses incurred by that applicant as a result of that rejection. If an application is rejected, the application money will be refunded to the applicant without interest.

The Manager may authorise the offer of units to investors ('Indirect Investors') through investment platforms or similar custodial intermediaries ('Platforms'). Indirect Investors do not have the same rights as investors who invest directly into the Fund. The Platform is the legal owner of the units and holds them subject to the terms and conditions agreed with its Indirect Investors. Indirect Investors should refer to those terms and conditions for more information about their rights in respect of units.

#### **Confidentiality**

This IM and its contents are confidential. It may not be disclosed to any other party (except to obtain independent advice about investing in the Fund) or used for any purpose other than to assess whether to invest in the Fund, except with the Manager's consent. Any reproduction of all or part of this IM is strictly prohibited without the written consent of the Manager, and may only be reproduced in accordance with that consent. In the event that the recipient does not participate in the Fund, this IM, along with all related materials, must be returned to the Manager immediately on demand.

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# 1 KEY FEATURES OF THE FUND

For more information on each of the features, please refer to the relevant sections below:

FEATURES	SUMMARY	SECTION
MANAGER	FundRock NZ Limited.	2
INDEPENDENT TRUSTEE	Public Trust.	2
INVESTMENT MANAGER	Resolution Capital Limited.	2
INVESTMENT OBJECTIVE <sup>1</sup>	The Fund aims to achieve an annual total return that exceeds the total return of the Benchmark after fees on a rolling 3 year basis.	6
BENCHMARK <sup>2</sup>	FTSE EPRA/Nareit Developed Index Net TRI (100% Hedged to NZ dollars). This index is designed to track the performance of listed real estate companies and real estate investment trusts ('REITs') worldwide.	6
SUGGESTED MINIMUM INVESTMENT PERIOD	Medium to long-term, being 5 or more years.	6
PORTFOLIO ALLOCATION <sup>3</sup>	85% - 100% invested in listed property, REITs, and real estate securities. <sup>4</sup> 0 – 15% invested in cash. The Fund utilises forward foreign exchange contracts for currency hedging purposes.	6
DISTRIBUTION FREQUENCY	Distributions are payable quarterly.	5
CUT-OFF TIMES FOR APPLICATIONS AND REDEMPTIONS	2pm (New Zealand time) on a Business Day.	9
INVESTING AND REDEEMING FROM THE FUND	Investors can invest in the Fund by applying for units with the Manager using an Application Form. Investors can withdraw from the Fund by making a withdrawal request to the Manager using a Redemption Form.	9
FEES AND EXPENSES	Management Fee: 0.80% p.a. on the net asset value of the Fund.	7
BUY/SELL SPREAD	+0.20%/-0.20% (only directly applicable to units applied for / redeemed directly with the Manager).	7

<sup>1</sup> The investment objective is expressed after the deduction of management fees, expense recoveries and withholding tax, i.e. the investment objective is measured relative to the Fund's Benchmark, after fees and costs and withholding taxes are deducted from the Fund's performance. Refer to Sections 7 and 8 for further information on fees and other costs and taxation. The investment objective is not intended to be a forecast, it is only an indication of what the investment strategy aims to achieve over the medium to long term, assuming financial markets remain relatively stable during that time. The Fund may not achieve its investment objective and returns are not guaranteed.

<sup>2</sup> The Fund is a wholesale fund and therefore is not required to report on its performance relative to a benchmark. The Benchmark is therefore for informational purposes only. Further information on the Fund's Benchmark can be found here: <https://www.ftserussell.com/products/indices/epra-nareit>

<sup>3</sup> The above ranges are indicative only. The Fund will be rebalanced within a reasonable period of time should the exposure move outside of the above ranges.

<sup>4</sup> The Fund may also invest in international or domestic property securities proposed to be listed within six months on any such recognised exchange, limited to 10% of the Fund's net asset value.

## 2 KEY SERVICE PROVIDERS

### Resolution Capital Limited

Resolution Capital Limited ABN 50 108 584 167 AFSL 274491 has been appointed by the Manager as the Fund's investment manager, pursuant to the terms of an Investment Management Agreement. Resolution Capital is a specialist investment manager that is focused on investing in global real estate and infrastructure securities listed on key exchanges around the world. Established in 2004 and based in Sydney, Australia, the company is majority owned by employees, predominantly its investment team.

Resolution Capital is an active manager and believes that the ultimate driver of returns from real estate and infrastructure securities is the quality and level of sustainable cash earnings generated by the underlying assets. As a result, Resolution Capital's investment process is focused on evaluating these cash-flows consistently across real estate and infrastructure sectors and regions. Resolution Capital believes that listed real estate and infrastructure provides an excellent means of gaining exposure to the returns of some of the world's highest quality real estate and infrastructure assets.

The investment team has a strong track record of performance in listed real estate investment, with one of the longest track records in both the global and Australian REIT arenas. The team has considerable experience in real estate, with diverse backgrounds including real estate valuation, development, funds management, capital transactions, stock broking and economic research.

There are three key factors which differentiate Resolution Capital:

#### Aligned

Resolution Capital is majority employee owned, which includes its investment team. This enables the organisation to create a clear link between client outcomes and team rewards. Resolution Capital and staff also invest in the funds that they manage.

#### Specialist

Resolution Capital has an experienced and dedicated team of professionals, who focus solely on investing in real estate and infrastructure securities, and devotes substantial resources researching these markets. This reduces distractions and allows the team to focus on making investment decisions for its clients.

#### Proprietary research

Resolution Capital invests substantially in proprietary research and conducts primary research predominantly on a sector basis rather than on a regional basis. This is a point of difference for the team and enables comparison and identification of industry trends on a global basis.

### FundRock NZ Limited

FundRock NZ Limited (NZBN 9429031398602) is a funds 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 holds a market services licence issued by the Financial Markets Authority ('FMA') under the FMCA to act as the manager of registered schemes in New Zealand. The licence is subject to the normal conditions. As the Fund is only available to wholesale investors and not registered, FundRock does not need a licence to act as Manager of the Fund and the Fund is not directly regulated by the FMA.

### Public Trust

Public Trust NZBN 9429041913222 is the independent trustee ('Independent Trustee') of the Fund.

Public Trust is a statutory corporation that is a Crown entity established under the Public Trust Act 2001 and domiciled in New Zealand. Public Trust is an autonomous Crown entity for the purposes of the Crown Entities Act 2004, and its ultimate parent is the New Zealand Crown.

Public Trust provides a range of services to help New Zealanders across three core customer markets: Retail; Investments; and Corporate Independent Trustee Services. Corporate Independent Trustee Services was formed in 1967 as a separate business division within Public Trust to focus on the corporate trustee market and work with business customers and groups of investors on a wide range of public and private investment schemes and other offers.

Public Trust is licensed under the Financial Markets Supervisors Act 2011 to act as statutory supervisor for retirement villages and supervisor of debt securities and in respect of the following registered schemes:

- KiwiSaver schemes;
- specified managed funds;
- non-fund schemes; and
- superannuation schemes.

In addition Public Trust holds a corporate independent trustee licence.

Public Trust's role for the Scheme is that of a trustee for a wholesale managed investment scheme rather than a licenced supervisor. Public Trust does not need a licence to act as Independent Trustee of this Fund because it is not a registered scheme under the FMCA. The Fund is not directly regulated by the FMA.

#### **Other service providers**

BNP Paribas Fund Services Australasia Pty Ltd ('BNP Paribas') has been appointed as the Custodian for the Fund. Apex Fund Services NZ Limited ('Apex') has been appointed as Unit Registry and Fund Administrator for the Fund. FundRock and Apex are part of the same corporate group.

## **3 BENEFITS OF INVESTING IN THE FUND**

#### **Significant Features**

The Fund invests primarily in REITs and real estate securities that are listed, or soon to be listed, on stock exchanges around the world and will also have some exposure to cash. The Fund aims to provide income and some capital growth over the long-term. Further details of the Fund are set out later in this IM in Section 6 'How We Invest Your Money'.

#### **Significant Benefits**

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

- Specialised management and proprietary research – The opportunity to benefit from (i) the significant expertise and experience of a specialist REIT and real estate securities investment manager; and (ii) Resolution Capital's proprietary global research and database systems;
- Access to real estate returns – By investing in listed entities, the Fund gives investors exposure to real estate assets they may not usually access directly as individuals. The Fund offers the opportunity to gain exposure to some of the best real estate assets and managers in the world;
- Diversification – By investing in a portfolio of global real estate securities, investors can benefit from improved diversification, divisibility and transparency compared with other forms of real estate investments;
- Alignment of interests – Key executives of Resolution Capital are majority owners of the business which provides stability and focus to the investment team;
- Liquidity and transaction costs – Listed real estate generally offers investors the ability to liquidate their investments more quickly than many forms of direct real estate investments. Listed real estate also involves substantially less transaction costs than direct real estate; and
- Income distributions – The potential to receive income distributions which are generally paid following the end of each quarterly period and, unless otherwise instructed, reinvested for additional units in the Fund.



### Risks of Managed Investment Schemes

**All investments carry risk.** All managed investment schemes carry different types of risk which can have varying impacts on returns. Different strategies carry different levels of risk, depending on the assets that make up that strategy. Assets with the highest long-term returns may also carry the highest level of risk.

Due to uncertainty in all investments, there can be no assurance that the Fund will achieve its investment objectives. The value of your units at any point in time may be worth less than your original investment even after taking into account the reinvestment of Fund distributions. Future returns may differ from past returns. Returns are not guaranteed, and you may lose some or all of your money. You need to consider the level of risk that you are comfortable with, taking into account factors such as your objectives, financial situation and needs.

None of the Manager, the Independent Trustee or the Investment Manager, their directors, associates nor any of their related bodies corporate guarantee the success of the Fund, the repayment of capital or any particular rate of capital or income return. Investments in the Fund are not guaranteed or underwritten by the Manager, the Independent Trustee or Investment Manager, or any other person or party. You may lose some or all of your investment.

Risks can be managed but cannot be completely eliminated. It is important to understand that:

- the value of your investment may go up or down;
- investment returns may vary, and future returns may be different from past returns;
- returns are not guaranteed and there is always the chance that you may lose money on any investment you make; and
- laws affecting your investment may change over time, which may impact the value and returns of your investment.

Some of the key risks that may impact the value of your investment in the Fund are outlined below. You need to consider the level of risk that you are comfortable with, taking into account factors such as your objectives, financial situation and needs.

It is recommended that investors obtain professional advice before making any investment decision. The information provided in this IM is only a guide to help investors understand the risks of investing in the Fund. It is recommended investors speak with an adviser to decide on an investment strategy that is best suited for them.

The Fund will be exposed to the risks directly as a managed investment scheme, and indirectly through its investment in the underlying assets. The significant risks for the Fund are:

#### Conflict of interest risk

The service providers to the Fund (including those set out in Section 2) and their related parties may from time to time act as manager, issuer, trustee, investment manager, custodian, unit registry, administrator, or distributor to other parties or funds that have similar objectives to those of the Fund. It is, therefore, possible that any of them may have potential conflicts of interest with the Fund. None of those service providers or any of their related parties are under any obligation to offer investment opportunities to the Fund.

#### Counterparty risk

The Fund relies on external service providers in its normal operation and investment activities. There is a risk with external counterparty and service provider arrangements that the party to a contract (such as a derivatives contract, physical security trade or foreign exchange contract) defaults on, or fails to perform, its contractual obligations (either in whole or in part). This may result in a loss for the Fund, or the investment activities of the Fund being adversely affected.

#### Currency risk

Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the value of these investments will vary depending on changes in the exchange rate. The Fund may seek to manage its currency exposure using forward foreign exchange contracts or cash foreign exchange trades.

## Cyber security risk

As the use of technology has become more prevalent in the course of business, the Fund is susceptible to operational risks through breaches of cyber security. A breach of cyber security refers to both intentional and unintentional events that may cause the Manager, the Independent Trustee, the Investment Manager, the Custodian or the Fund Administrator to lose proprietary information, suffer data corruption or lose operational capacity. This in turn could cause the Independent Trustee or the Manager to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss.

## Security risk

The Fund primarily invests in listed property, REITs and real estate securities. The price of a security can rise and fall as a consequence of many factors including, but not limited to, economic conditions, changes in interest rates or currency rates, adverse investor sentiment, management performance, financial leverage, reduced demand for the company's products and services, or factors that affect the company's industry, including changes in regulation or taxation, as well as competitive conditions within the industry. This may result in a loss of value in the portfolio of the Fund and a change in value of your investment. Securities may make payments (regular or irregular) as dividends, and these may fluctuate significantly in their market value with the ups and downs in the economic cycle and the fortunes of the issuing firm.

## Foreign investment risk

The Fund may invest in a range of international securities or foreign investment vehicles, and in companies that have exposure to a range of international economies and regulatory environments, which may impact the Fund's international investments. These investments may decline in value because of sovereign, political, economic or market instability; the absence of accurate information about the companies; risks of unfavourable government actions such as expropriation and nationalisation. Some countries may have different legal systems, taxation regimes, auditing and accounting standards with less governmental regulation and transparency. These risks may be higher when investing in emerging markets.

## Fund risk

The Manager may elect, in accordance with the Trust Deed, to terminate the Fund for any reason.

## Income risk

The Fund's ability to distribute income is determined by the performance of the Fund and general market conditions. Consequently, there is no guarantee that you will receive any income. The Fund may make payments (regular or irregular) as distributions, depending on the income the Fund receives from underlying assets.

## Investment strategy risk

The success of the Fund depends upon the Investment Manager's ability to develop and implement investment processes and identify investment opportunities that achieve the investment objectives of the Fund. Matters such as the loss of key staff, the Investment Manager's replacement as investment manager of the Fund, or the Investment Manager's failure to perform as expected may negatively impact on returns, risks and/or liquidity.

Additionally, the Fund may fail to perform as expected or be able to achieve its stated objectives thereby reducing the value of your investment and leading to loss.

## Investment structure risk

There are risks associated with investing in the Fund, such as risks of the Fund's termination, changes to investment strategy or structure, changes to fees or expenses, or changes to the Fund's operating rules (such as payments or reinvestments of distributions, or additional investments). An investment in the Fund is governed by the terms of the Trust Deed and the IM of the Fund, and New Zealand law (such as regulatory updates, government policies, or taxation rules). Investing in the Fund results in different performance outcomes from holding the underlying assets of the Fund directly, for example because of the aggregate effect of holding all assets simultaneously, or the impact of other investor transactions.

The Fund may also invest in other managed investment schemes or collective investment vehicles ('Underlying Fund(s)'). Identified risks for the Fund may also apply to the Underlying Fund. The Fund may also experience risks related to Underlying Funds, such as transaction restrictions and/or liquidity constraints.

## Large transaction risk

If a unitholder has significant holdings in the Fund, the Fund is subject to the risk that such a large unitholder may request a significant purchase or redemption of units of the Fund. Large purchases or redemptions may result in: (a) the Fund maintaining an abnormally high or low cash balance; (b) large sales of portfolio securities impacting market value; and/or (c) increased transaction costs (e.g., commissions). If this should occur, the returns of investors (including other funds) that invest in the Fund may be adversely affected.

## Liquidity risk

Whilst the Fund is generally exposed to listed REITs and real estate entities which are generally considered liquid investments, under extreme market conditions there is a risk that investments cannot be readily converted into cash or at an appropriate price. The Fund may be unable to liquidate sufficient assets to meet its obligations within required timeframes, including payment of withdrawals, or the Fund may be required to sell assets at a substantial loss in order to do so.

Additionally, different securities may be less liquid than other securities or pose a higher risk of becoming illiquid during times of market stress. The less liquid the security, the less likely it can be bought or sold quickly, and the more difficult it may be to sell the security when the Investment Manager or Manager wishes to do so, or the more challenging it may be to realise the Investment Manager's or Manager's perception of fair value.

## Market risk

Changes in the market can lead to changes in prices and overall market volatility. The Fund has exposure to different financial markets. The risk of an investment in the Fund is higher than an investment in a typical bank account investment and the Fund is not expected to behave like a cash investment. Amounts distributed to unitholders may fluctuate, as may the Fund's unit price. The Fund may be materially affected by market, economic, social and/or political conditions globally and in the jurisdictions and sectors in which it invests or operates. This includes conditions affecting interest rates, the availability of credit, currency exchange and trade barriers. These conditions are outside the control of the Fund and could adversely affect the liquidity and value of the Fund's investments and may reduce the ability of the Fund to liquidate its positions or make attractive new investments. The unit price may vary by material amounts, even over short periods of time, including during the period between a withdrawal request or application for units being made and the time the withdrawal unit price or application unit price is calculated. This means the value of the Fund could fall materially in a short period of time and you could lose some or all of your investment.

## Regulatory risk

The risk that the Fund may be adversely affected by changes in government policies, regulations and laws including laws affecting managed investment schemes and taxation. The value of some investments may be adversely affected by changes in New Zealand government policies, regulations and laws, including tax laws and laws affecting managed investment schemes. Changes to regulations can affect the Fund's operation, disclosure (for example new regulations may require different information be reported or disclosed compared to current information), or investment activities (for example new regulations or tax rules may prohibit or restrict practices or activities the Fund relies on).

## Withdrawal risk

If the Manager determines that it is in the best interests of all unitholders, the Manager may suspend or delay withdrawals and these payments may take longer than the typical timeframe. When the Fund is illiquid, there may be circumstances where your ability to withdraw from the Fund is restricted. These circumstances may include (but are not limited to):

- market events affect the liquidity or marketability of the Fund's assets;
- the Fund is no longer liquid or cannot meet its liquidity requirements; or
- investor activity has affected the Fund's ability to realise assets at an acceptable price.

The timeframe in which we have to meet a withdrawal request is set out in the Trust Deed of the Fund and outlined in Section 9 'Investing in the Fund'.

You need to consider the level of risk that you are comfortable with, taking into account factors such as your age, your investment timeframe, other assets and investments you have and your overall tolerance for risk.

## 5 HOW THE FUND WORKS

### How the Fund is valued

All assets within the Fund are usually valued daily. More frequent valuations are permitted under the Trust Deed of the Fund and we may revalue the Fund's assets more or less frequently if it is considered appropriate or in certain circumstances.

The Net Asset Value ('NAV') of the Fund attributable to the units is obtained by deducting any liabilities (for example fees and costs) from the market value of the Fund assets.

The Manager uses pricing services provided by the Fund Administrator (a related entity of the Manager), for the valuation of the Fund's assets, which is generally calculated on a daily basis. Listed investments are marked to market. The market value of unlisted investments is determined in accordance with the Fund's Trust Deed. Generally, the market value of unlisted investments will either be the published price for that investment or such value as determined by the Manager, in consultation with the Independent Trustee, taking into account any recommendations from the Investment Manager or suitably qualified person approved by the Manager.

### Unit prices

A unit price is calculated for every Business Day which is equal to the value of the Fund's net assets divided by the number of units on issue. Generally, the unit price changes daily as the market value of the Fund's assets rises or falls.

Unit prices are based on NAV of the Fund including provisions for income and expenses accrued and an adjustment for a transaction cost factor (see 'Buy/Sell Spread' in Section 7 'Fees and other costs').

### Impact of investing just before the end of a distribution period

After a distribution is paid, the unit price usually falls by an amount similar to that of the distribution per unit. This means that if you invest just before a distribution, the unit price may already include income that you would be entitled to receive at the distribution date. Consequently, you may have some of your capital returned as income through the distribution payment.

### Distributions

Income (such as interest, dividends and realised capital gains) from investments in the Fund will be paid to you via distributions. We expect to make quarterly distributions for the Fund in respect of the periods ending on the last Business Day in March, June, September and December. We expect to pay distributions within 30 days of the period end. You can elect for your distributions to be paid to your nominated bank account, or reinvested in the Fund. If you do not make a distribution election the default option is reinvestment.

### Distribution reinvestment

The distribution reinvestment price is the unit price at the end of the distribution period (without the applicable buy spread). All units allotted as part of the distribution reinvestment will rank equally in all respects with existing units in the same class. Where the result of applying the distribution reinvestment methodology is a fraction, whole and partial units will be issued to you.

Investors may elect to have their distributions paid as cash at any time by notifying the Manager. The change will apply from the date of receipt, as long as it is received by the Manager within 10 days prior to the end of the Distribution Period.

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

### Different classes

As permitted under the Trust Deed, we may issue more than one class of units in the Fund, with different applicable fees and other different conditions of issue. This IM applies to ordinary units. At the date of this IM, the ordinary units are the only class of units in the Fund.

## Operational governance

The Fund's operation is governed by its Trust Deed and other laws where relevant.

## Trust Deed

The Trust Deed contains the rules relating to a number of operational issues and practices, including rights, responsibilities and duties of the Independent Trustee, the Manager, and unitholders, some of which are outlined in further detail in this document. Copies of the Trust Deed can be provided on request.

## 6 HOW WE INVEST YOUR MONEY

**Warning: When it comes to choosing to invest in the Fund, you should consider the likely investment return, the risks and your investment timeframe.**

The Fund primarily invests in listed REITs and real estate securities that derive most of their returns from rental income. The Fund's investments provide exposure to a range of underlying real estate from around the world including but not limited to office buildings, shopping centres, industrial warehouses, residential communities, data centres and towers, self-storage, hotels and healthcare facilities. The Fund may also have exposure to companies which undertake activities such as real estate development, real estate construction contracting and real estate funds management activities. The Fund does not engage in short selling or securities lending.

Resolution Capital believes that optimum risk-adjusted returns can be achieved through a concentrated portfolio of 30 to 60 securities.<sup>5</sup> In constructing the portfolio, bottom-up securities analysis is combined with the identification of broader investment and direct real estate market themes.

Resolution Capital adopts a 'multi-portfolio manager' approach for its global portfolio construction. This approach tests the conviction of individual portfolio managers, encourages greater involvement from the broader investment team and mitigates key person risk.

Resolution Capital intends to mitigate currency risk by hedging the capital component of the Fund's foreign currency exposure to global real estate securities back to New Zealand dollars. Resolution Capital may also hedge the Fund's foreign currency exposure arising from income receivable from global real estate securities at its discretion. From time to time the Fund may accept unhedged or over-hedged currency exposures, but hedging will not be undertaken in a currency where there is no underlying physical investment. Currency hedging may impact the level of income distributions.

An investment in the Fund may suit you if you are seeking a medium to long-term investment in global listed REITs and other real estate securities with the potential for income distributions and capital growth. You should consider the likely investment return, risks and your investment timeframe when choosing to invest in the Fund.

### Resolution Capital Global Property Securities PIE Fund

INVESTMENT RETURN OBJECTIVE <sup>6</sup>	The Fund aims to achieve an annual total return that exceeds the total return of the Benchmark after fees on a rolling 3 year basis.
BENCHMARK <sup>7</sup>	FTSE EPRA/Nareit Developed Index Net TRI (100% Hedged to NZ dollars). The Benchmark is designed to track the performance of listed real estate companies and REITs worldwide.
SUGGESTED MINIMUM INVESTMENT PERIOD	Medium to long-term, being 5 or more years.

<sup>5</sup> Whilst the Fund will have no limit to the number of investments in its portfolio, it will generally hold between 30 and 60 securities.

<sup>6</sup> The investment objective is expressed after the deduction of management fees, expense recoveries and taxation, i.e. the investment objective is measured relative to the Fund's benchmark, after fees and costs and withholding taxes are deducted from the Fund's performance. Refer to Sections 7 and 8 for further information on fees and other costs and taxation. The investment objective is not intended to be a forecast, it is only an indication of what the investment strategy aims to achieve over the medium to long term, assuming financial markets remain relatively stable during that time. The Fund may not achieve its investment objective and returns are not guaranteed.

<sup>7</sup> Further information on the Fund's benchmark can be found here: <https://www.ftserussell.com/products/indices/epra-nareit>

PORTFOLIO ALLOCATION <sup>8</sup>	85% - 100% invested in global listed REITs and real estate securities. <sup>9</sup> 0 – 15% invested in cash. The Fund holds forward foreign exchange contracts for currency hedging purposes.
CURRENCY EXPOSURE	The Fund's exposure to movements in the exchange rate between New Zealand and foreign currencies in which global real estate securities are denominated are mitigated using forward foreign exchange contracts. The Fund may also hold foreign currency balances for the purposes of settling trades in foreign markets.
LABOUR STANDARDS OR ENVIRONMENTAL, SOCIAL OR ETHICAL CONSIDERATIONS	Resolution Capital applies environmental, social and ethical (incorporating corporate governance) ('ESG') considerations when selecting, retaining or realising the investments of the Fund in addition to other methods in assessing company value. These ESG considerations are generally only taken into account by Resolution Capital to the extent that they financially affect the investment. It should be noted that Resolution Capital does not have a fixed methodology or weightings for incorporating these ESG risks and each investment opportunity is assessed on a case-by-case basis, however special consideration is taken of responsible investment and labour standards frameworks, including the PRI, UN Global Compact and UN Guiding Principles on Business and Human Rights. Additionally, Resolution Capital may exclude certain securities or sectors based on ESG factors.

### Investment philosophy

Resolution Capital is a specialist investment manager focused on investing in the global listed real estate and infrastructure sectors of the stock market. Resolution Capital's consistent and rigorous investment approach has been a key feature of the team's success.

Resolution Capital believes that the ultimate driver of REITs and real estate securities is the quality and level of sustainable cash earnings generated by the underlying portfolio of properties. As a result, its investment process for the Fund is focused on evaluating these cashflows on a consistent basis across real estate sectors and regions. This is reinforced by a centralised research approach with most of the investment team being co-located in the Sydney office.

Resolution Capital is focused on fundamentals driven stock selection, through a number of qualitative and quantitative measures, which is focused on:

- high quality, high barrier, hard to replicate strategic assets, which are located in key markets and cities, where there is landlord pricing power;
- entities with sustainable capital structures, which are run by disciplined and aligned management teams;
- labour, environmental, social and governance considerations (where appropriate and carries financial impact on investors – please refer below in the Labour, Environmental, Social and Governance considerations section for more information); and
- robust earnings profile, with the majority of earnings derived from recurring rental activities.

The bottom-up analysis is reviewed in conjunction with the identification of top down, broader investment and direct real estate themes (e.g. macro-economic conditions, demand and supply levels, construction costs etc.), which may influence a securities' risk level.

Supporting the bottom-up philosophy is the division of research responsibilities amongst the investment team by real estate sector, rather than region. Each member of the investment team is responsible for and specialises in one or more real estate sectors, such as retail, office, industrial, residential, hotels, data centres and healthcare. The investment team is uniquely equipped to evaluate companies and their management teams against global peers.

By adopting this approach, Resolution Capital believes it can create a portfolio which has the greatest prospect of delivering returns above inflation and consistent, sustainable, long term outperformance.

<sup>8</sup> The above ranges are indicative only. The Fund will be rebalanced within a reasonable period of time should the exposure move outside of the above ranges.

<sup>9</sup> The Fund may also invest in international or domestic securities proposed to be listed within six months on any such recognised exchange, limited to 10% of the Fund's net asset value.

## Proprietary research

Resolution Capital invests substantially in research. Proprietary internal research is critical to the development of the business and its ability to outperform. The investment team, when possible, travels to gauge local markets, inspect properties and meet with management and market participants.

Resolution Capital utilises many different external sources of information such as company reports, research houses, industry contacts, brokers, real estate agents, economists, industry groups and industry conferences. While Resolution Capital has access to a wealth of data from a number of sources worldwide, emphasis is often placed on the insight gained from talking to management, visiting properties and our global network of industry contacts.

## Portfolio construction

Resolution Capital adopts a 'multi-portfolio manager' approach to portfolio construction for the Fund. The Fund's portfolio comprises separate individual portfolios, with each Resolution Capital portfolio manager constructing their own global portfolio. The Fund represents the consolidation of these portfolios. Currently there are four portfolio managers, but this can change from time to time. It is inevitable, and intentional, that there is significant overlap in the securities chosen by each portfolio manager, illustrating which securities have the strongest investment prospects.

This investment decision making process has numerous benefits. Firstly, since each portfolio manager invests across sectors and regions, it encourages cross debate whilst drawing upon each team member's individual strengths. Secondly, it forces portfolio managers to test and challenge each other's conviction. Thirdly, it gives portfolio managers a greater ability to translate their ideas into actual investment decisions while also enhancing accountability and providing a career path for analysts.

Importantly, the 'multi-portfolio manager' approach also significantly mitigates key person risk, as each portfolio manager has a demonstrated track record of managing the portfolio. Resolution Capital strongly believes that this approach will lead to superior and more consistent, investment returns over the long term.

While there are no pre-determined geographic or sector allocation limits, in order to maintain appropriate levels of diversification, the Fund will generally have an exposure to at least three sectors and three geographic areas. Whilst the Fund is not required to have a set minimum or maximum number of investments in its portfolio, it will generally hold between 30 and 60 securities.

The Fund portfolio is continually monitored and reviewed as market conditions change in order to maintain an optimum mix of high conviction ideas whilst minimising trading and transaction costs.

## Labour, Environmental, Social and Governance considerations

Resolution Capital has a long history of taking a responsible approach to investing. Resolution Capital has been a signatory to the UN-sponsored Principles of Responsible Investment ([www.unpri.org](http://www.unpri.org)), since 2010, and a participant in the UN Global Compact since 2019.

ESG considerations are an integral part of Resolution Capital's investment philosophy. Resolution Capital believes that ESG considerations benefit the broader community and that strong ESG practices of the companies in which the Fund invests are likely to be additive to their performance and lead to investors ultimately being rewarded through superior investment outcomes.

Resolution Capital integrates ESG considerations into its investment process to align itself with the six Principles of UN the PRI and incorporates ESG factors in stock analysis and as discussion points for broader engagement activities. Examples of ESG risks which may be considered by Resolution Capital include poor workplace health and safety, high carbon emissions, and poor corporate governance. Resolution Capital's ESG risk integration approach is primarily focused on assessing and managing the potential financial impact (e.g. reduced future cashflows and/or permanent impairment of asset value) resulting from ESG risks on investment assets. When reviewing potential investment opportunities for the Fund, Resolution Capital will assess the risk of a permanent loss of capital due to an ESG risk by identifying events that could occur as a result of an asset's exposure to material ESG issues.

In terms of the extent to which the ESG considerations are taken into account, Resolution Capital has a framework it uses to assess ESG but does not apply a set methodology for taking such ESG considerations into account. Resolution Capital does not use a weighting system to apply a weight to the standards and considerations.

Resolution Capital does not have a specific methodology for how labour standards considerations are taken into account in the selection, realisation and retention of the Fund's investments. In practice, Resolution Capital records labour disclosures where available, and takes into consideration responsible investment and labour standards frameworks, including the UN-sponsored Principles of Responsible Investment, UN Global Compact and UN Guiding Principles on Business and Human Rights to the extent they have a financial impact on the Fund's investments.

The integration of ESG into the investment process is supplemented by Resolution Capital's engagement policy and activities, which are designed to optimise their ability to affect outcomes and enhance investment decision-making. Resolution Capital's engagement activities include proxy voting. It is the policy of Resolution Capital to vote on all proxy resolutions it has the ability to vote on.

The Resolution Capital policies relating to the manner in which ESG considerations are incorporated in the investment process can be accessed at [www.rescap.com/esg/](http://www.rescap.com/esg/) or obtained free of charge by contacting Resolution Capital on +61261 2 8258 9188.

## 7 FEES AND OTHER COSTS

This section shows the fees and other costs you may be charged. Taxes are set out in Section 8 of this IM. You should read all information about fees and costs because it is important to understand their impact on your investment.

FEES AND COSTS SUMMARY: RESOLUTION CAPITAL GLOBAL PROPERTY SECURITIES PIE FUND		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>ONGOING ANNUAL FEES AND COST<sup>1,2</sup></b>		
<b>MANAGEMENT FEES AND COSTS</b> The fees and costs for managing your investment	Management fee of 0.80% p.a. of the NAV of the Fund.	The management fee is calculated daily based on the Fund's net asset value, reflected in the daily unit price and payable monthly in arrears from the Fund. Extraordinary expenses are paid from the Fund assets as and when incurred. <sup>3</sup>
<b>OTHER FEES AND ADMINISTRATIVE COSTS OF THE FUND</b> Amortisation of Setup Fees	0.03% p.a. of the NAV of the Fund.	At the outset, the Investment Manager will pay the costs of establishing the Fund. The Fund will then reimburse the Investment Manager for the full amount of those costs through periodic payments. Those payments are estimated to amount to approximately 0.03% p.a. (including GST) of the Fund's NAV and it is expected that reimbursement will be completed within five years of the Fund's establishment. However, the periodic payments may continue beyond that time if reimbursement has not been completed. This might happen if, for example, the Fund grows more slowly than initially forecast.
<b>MEMBER ACTIVITY RELATED FEES AND COSTS (FEES FOR SERVICES OR WHEN YOUR MONEY MOVES IN OR OUT OF THE FUND)<sup>1,3</sup></b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Buy/sell spread<sup>4</sup></b> An amount deducted from your investment representing costs incurred in transactions by the scheme	0.20% upon entry and upon exit	The buy/sell spread is applied to each application and withdrawal from the Fund and operates to increase the relevant unit price for each new investment and to decrease the unit price for each withdrawal to cover costs of underlying portfolio transactions.



Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Switching fee The fee for changing investment options	Nil	Not applicable

1. Fees are inclusive of GST.
2. Refer to 'Management costs' in 'Additional explanation of fees and other costs' for more information.
3. Refer to 'Extraordinary expenses' in 'Additional explanation of fees and other costs' below for further information.
4. When money moves in or out of the Fund, you may incur a buy/sell spread which is included in the unit price of the Fund. Refer to 'Buy/Sell spread' in 'Additional explanation of fees and other costs' below for more information.

Fee rebates may be individually negotiated with clients. We have the right to increase the fees or to charge fees not currently levied in accordance with the Trust Deed. If we choose to exercise this right, we will provide you with 30 days' prior written notice.

### Additional explanation of fees and other costs

#### Management costs

Management costs comprise the general management, administration and investment fees and costs (excluding transaction costs) of the Fund. These costs include:

- Manager fees;
- Investment Manager fees;
- Independent Trustee fees;
- administration costs;
- unit registry costs;
- benchmark licence costs;
- custody fees;
- audit costs; and
- legal costs.

#### Extraordinary expenses

Under certain circumstances, extraordinary expenses may be paid directly by the Fund. Extraordinary expenses are not of an ongoing nature. Examples of this type of expense include:

- convening of unitholders' meeting;
- termination of the Fund;
- amending the Trust Deed;
- defending or bringing of litigation proceedings; and
- replacement of the Independent Trustee or the Manager.

#### Buy/Sell spread

When you invest or withdraw all or part of your investment, we generally apply a cost via a unit price 'buy/sell spread', which is an additional cost to you and retained by the Fund. A buy/sell spread operates to increase the relevant unit price for each new investment and to decrease the unit price for each withdrawal to cover costs of underlying portfolio transactions, which include brokerage, securities settlement and clearing fees, government charges/stamp duty, bank charges and foreign exchange transaction fees.

The current buy/sell spread for the Fund, which is an estimate of these costs, is 0.20% on both investment and withdrawal. For example, if \$50,000 was invested in, or withdrawn from, the Fund, the cost of your buy/sell spread would be \$100 in and \$100 out.

The purpose of the buy/sell spread is to ensure that the costs to the Fund of buying or selling underlying assets are borne by investors as they invest or withdraw and to not disadvantage other investors in the Fund.

From time to time, we may vary the buy/sell spread. Any revised spread will be applied uniformly to transacting investors while that spread applies. In circumstances where the Manager determines that unitholders of the Fund are not being treated equitably (for example, withdrawals in stressed and dislocated markets), the buy/sell spread may be higher than our estimate.

The Manager has discretion to waive or reduce the buy/sell spread where the Fund incurs no costs, or reduced costs. Investors will be provided with notification of any changes to the buy/sell spread via Resolution Capital's website at <https://rescap.com/resolution-capital-global-property-securities-fund/>.

#### **Incidental fees and costs**

Standard government fees, duties and bank charges may also apply to your investments and withdrawals, including dishonour fees and conversion costs (if any).

#### **Adviser fees**

We do not pay fees to financial advisers. If you consult a financial adviser, you may incur additional fees charged by them. You should refer to the adviser's disclosure for any fee details.

#### **Payment to platform operators**

Subject to law, annual payments may be made to some platform operators or other custodial intermediaries ('Platforms') because they offer the Fund on their investment menus. Costs associated with offering the Fund on Platforms' investment menus are not additional costs to the Fund or to the investor.

#### **Fees for Indirect Investors**

Investors who invest in the Fund through a Platform ('Indirect Investors') must also refer to the fees and costs payable for the Platform they are investing through. The Platform operator will be the registered holder (i.e., legal owner) of the units and may charge you fees that are different or in addition to the Fund's fees detailed in this section and the IM. You should refer to the terms and conditions for the relevant Platform for more information.

#### **Differential fee arrangements**

Differential management fee arrangements may be negotiated and entered into with particular investors.

#### **Changes to fees and other costs**

We reserve the right to change fees and other costs, subject to any limitations under the Trust Deed and applicable law. We will give investors 30 days' notice prior to any increase in fees.

#### **For more information on fees and costs**

If you would like to better understand how our fee structure may impact your investment in the Fund, we recommend that you speak to your financial adviser.

## **8 TAXATION**

**Investing in a Portfolio Investment Entity has tax consequences. You are advised to seek professional tax advice.**

The Fund has elected to be a Portfolio Investment Entity ('PIE').

Investments in the Fund are taxed under the Fair Dividend Rate method, with a deemed annual return of 5% of the market value, prorated over the days that the particular security is held during the year. The method of calculation of taxable income may change without notice.

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.

Investors will not pay tax on distributions (if any) paid to investors from the Fund.

To determine your PIR, go to [www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate](http://www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate). If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue. 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. 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.

### Foreign Investors

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), the PIE will calculate and pay tax based on the prescribed investor rates in relation to income attributed to the NFIs, as follows:

All non-New Zealand sourced income, fully imputed dividends paid by a New Zealand resident company <sup>10</sup> and income sourced from New Zealand financial arrangements (excluding interest covered below).	0%
New Zealand sourced interest income derived under a financial arrangement.	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 non-resident withholding tax to a rate less than 30%	15% (DTA); 30% (no DTA)
Any other New Zealand sourced income (if any)	28%

Once every year the Fund must check each NFI meets the eligibility requirements under the Income Tax Act and that their information details remain unchanged.

To determine whether you are a resident of a country with which New Zealand maintains a double tax agreement with, refer to [www.taxpolicy.ird.govt.nz/tax-treaties](http://www.taxpolicy.ird.govt.nz/tax-treaties)

### 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 a New Zealand resident investor has not provided their IRD number to FundRock, after 6 weeks, FundRock will close the investor's account and return any funds to them.

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 the correct 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

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<sup>10</sup> Other than a dividend in relation to which a supplementary dividend is paid, in which case a prescribed investor rate of 15% should apply to the dividends.

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 tax 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 or excess credits may be available for offset in that investor's tax return against other income, with any excess available to carry forward.

### **Goods and Services Tax ('GST')**

Unless otherwise stated, the fees quoted in this IM are inclusive of GST. The rate of GST and any other taxes may change if the relevant law changes.

Investors should not be directly subject to GST when applying for or withdrawing units. However, the Fund may incur GST as part of the expenses of the Fund.

### **Tax reforms**

The expected tax implications of investing in the Fund may change as a result of changes in the taxation laws and interpretation of them by the Courts and/or Inland Revenue.

It is recommended that investors obtain independent taxation advice that takes into account your specific circumstances regarding investing in the Fund and the potential application of any changes in the tax law.

### **Foreign Account Tax Compliance Act ('FATCA') and OECD Common Reporting Standard ('CRS')**

Tax evasion is a global problem and international cooperation and sharing of high quality, predictable information between revenue authorities will help them ensure compliance with local tax laws. FATCA was enacted by the U.S. Congress to improve compliance with U.S. tax laws by imposing due diligence and reporting obligations on foreign financial institutions, notably the obligation to report U.S. citizen or U.S. tax-resident account holders to the U.S. Internal Revenue Service ('IRS').

Similar to FATCA, the CRS for the automatic exchange of information, is a single global standard for the collection and reporting to tax authorities of information by financial institutions on non-New Zealand residents. Accordingly, we may request certain information about yourself (for individual investors) or your controlling persons (where you are an entity) in order for the Fund to comply with its FATCA or CRS obligations. In the event that the Fund suffers any amount of withholding tax (including FATCA withholding tax) and/or penalties, neither the Fund nor the Manager acting on behalf of the Fund, will be required to compensate you for any such tax, except in exceptional circumstances.

## **9 INVESTING IN THE FUND**

### **Summary**

Investors can invest in the Fund by applying for units with the Manager using a paper-based Application Form.

Investors can withdraw from the Fund by making a withdrawal request to the Manager. Withdrawal requests made to the Manager are done so by submitting a paper-based Redemption form.

### **Investing with the Manager**

Set out below is a summary of how an investor may invest directly with the Manager. This IM should be read in full before you make any decision to invest in the Fund.

## Applications

### Direct Investors

To invest in the Fund, please read this IM, then complete the Application Form and return it (including the provision of other documentation required for identification purposes), together with your initial investment amount to the Manager. Application Forms are available from the Manager or Investment Manager.

The minimum initial investment amount is \$25,000.

As part of your application, you will also be required to complete either:

- a safe harbour certificate, under which you self-certify the category of wholesale investor that applies to you (investment business, investment activity, large, government agency); or
- an eligible investor certificate, under which you certify as to your experience in acquiring or disposing of financial products and a financial advisor, chartered accountant, or lawyer signs a confirmation of that certificate.

If an Application Form is returned without a duly completed certificate or the Manager has any reason to believe that a certificate may be incorrect, the application may be rejected and any application monies received will be promptly refunded.

Your application will only be eligible to be accepted when it is accompanied by receipt of:

- A validly completed Application Form
- Cleared application monies into the applications account
- Identity verification information
- Completed FATCA/CRS tax declaration
- Completed wholesale investor or eligible investor certificate (as applicable)

Applications received, verified and accepted by the Manager, prior to 2:00pm (New Zealand time) on a Business Day will generally be processed using the unit price for that day. For applications accepted after 2:00pm (New Zealand time) or on a non-Business Day, generally the next Business Day's unit price will apply.

However, the Manager may, at its discretion, accept amounts less than the minimum initial investment amounts. We will not be able to process your application if the Application Form is incomplete or incorrectly completed, or we are not satisfied that we have received the necessary proof of identification requirements to meet our obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and associated rules and regulations ('AML/CFT Law').

We reserve the right not to accept (wholly or in part) any application for any reason or without reason. No interest is received on application monies, including monies for additional investments, and no interest will be paid to you if for any reason your application cannot be accepted.

### Indirect Investors

If you are investing through a Platform, enquiries should be made directly to the Platform operator.

### Electronic IM

The Application Form may only be distributed when accompanied by a complete and unaltered copy of the IM. The Application Form contains a declaration that the investor has personally received the complete and unaltered IM prior to completing the Application Form.

The Manager will not accept a completed Application Form if it has reason to believe that the applicant has not received a complete paper copy or electronic copy of the IM or if it has reason to believe the Application Form or electronic copy of the IM has been altered or tampered with in any way. Whilst the Manager believes that it is extremely unlikely that during the period of the IM the electronic version of the IM will be tampered with or altered in any way, the Manager cannot give any absolute assurance that this will not occur.

Any investor who is concerned with the validity or integrity of an electronic copy of the IM should immediately request

a paper copy of the IM directly from the Manager.

### **Other terms and conditions**

No interest is paid on application monies. The Manager is entitled to receive an amount equal to any interest that accrues on application monies before such monies are transferred to the bank account or bank accounts for the Fund in accordance with the Trust Deed.

The Manager reserves the right to refuse any application without giving a reason. If for any reason the Manager refuses or is unable to process your application to invest in the Fund, the Manager will return your application money to you, subject to regulatory considerations, less any taxes or bank fees in connection with the application. You will not be entitled to any interest on your application money in this circumstance.

### **Effect of the Application Form**

In addition to the acknowledgements contained in the Declaration on the Application Form, by completing and signing the Application Form, the investor:

- a) authorises the provision of information relating to the investor's account to the named financial adviser, and any other person authorised by that adviser, from time to time;
- b) authorises the use of the tax information provided on the Application Form in respect of the investor's Fund account;
- c) acknowledges that the provision of the product available through the IM should not be taken as the giving of investment advice by the Investment Manager, the Manager, or the Independent Trustee, as they are not aware of the investor's investment objectives, financial position or particular needs;
- d) acknowledges that neither the Manager nor its agents are responsible where a loss may be suffered as a result of the investor providing incorrect or incomplete information;
- e) agrees that the Manager may:
  - a. require the investor to provide any additional documentation or other information and perform any acts to enable compliance with any laws relating to AML/CFT Law, FATCA, CRS or any other law;
  - b. at its absolute discretion and without notice to the investor, take any action it considers appropriate, including blocking or delaying transactions on the investor's account or refuse to provide services to the investor to comply with any law relating to AML/CFT or any other law; and
  - c. in its absolute discretion and without notice to the investor report any, or any proposed, transaction or activity to anybody authorised to accept such reports relating to AML/CFT or any other law; and
- f) acknowledges that the Manager is required to collect the investor's personal information under AML/CFT Law and agrees that information provided may be used as detailed in the IM and the Manager's Privacy Policy.

### **Making an additional investment**

You may make additional investments in the Fund by completing the additional investment form accompanying the IM which can be found at <https://rescap.com/resolution-capital-global-property-securities-fund/> or via a written request signed by the necessary signatories or in another format agreed with the Manager.

The minimum additional investment amount is \$5,000.

Once processed, a confirmation statement of your additional investment will be sent to you.

### **Making a withdrawal**

You can decrease your investment in the Fund by redeeming units. The Manager endeavours to effect payment of withdrawals within 5 Business Days, however under the Trust Deed we have up to 60 Business Days. The Manager may suspend or defer accepting or processing withdrawal requests under some circumstances under the Trust Deed, including where the Manager has formed the opinion that it would be materially prejudicial to the interests of unitholders for the Independent Trustee to realise investments or borrow in order to permit redemptions.

In addition to their share of the capital value of the Fund, and as part of the withdrawal proceeds, unit holders will receive their share of any net income of the Fund (corresponding to the unit class, the period of time during which their units were on issue, and the amount of net income accrued or received by the Fund since the last distribution date). These amounts are included in the applicable withdrawal unit price and will be treated as capital.

The minimum withdrawal amount is \$5,000.

Direct withdrawal requests can be made daily, and must be received, verified and accepted by the Manager prior to 2:00pm (New Zealand time) on a Business Day. Withdrawal requests received after that time, or on a non-Business Day, will be treated as being received on the next Business Day. Electronic transfer of the withdrawal proceeds can take up to 5 Business Days, however it will often be completed in a shorter period of time.

Please note that we only make payments to your nominated bank or financial institution account. No third-party payments will be allowed. There may be circumstances, as permitted under the Trust Deed, where your ability to withdraw from the Fund is restricted.

The following text contains further information on restrictions on withdrawals.

### **Other transactions Transferring Ownership**

You can generally transfer some or all of your investment to another person, although we are not obliged to process a transfer that does not meet prescribed criteria. Transfers may be subject to tax or other relevant regulations, and we recommend you acquire financial advice before making a decision regarding transferring your units.

### **Changes and delays to permitted transactions**

We can vary the minimum investment amounts for the Fund at any time and can also change the transaction cut-off time. The Manager has the right to refuse applications or withdrawals for any reason.

Where we consider it to be in the interests of unitholders we may suspend application or withdrawal requests. Any application or withdrawal request received during a period where transactions have been suspended, or for which a unit price has not been calculated or confirmed prior to the commencement of a period of suspension, will be deemed to have been received immediately after the end of the suspension period.

### **Transaction cut off times**

Generally, transaction requests for direct investors can be made daily, and must be received, verified and accepted by the Manager prior to 2:00pm (New Zealand time) on a Business Day. Requests received after that time, or on a non-Business Day, will be treated as being received on the next Business Day.

Indirect investors may be subject to earlier transaction cut-off times. Indirect investors should contact their platform operator for transaction cut-off time information.

### **Cooling-off**

Investors do not have cooling-off rights in respect of units in the Fund.

### **Complaints**

The Manager, and Investment Manager, have in place a procedure for handling all complaints. All complaints should be made by contacting the Investment Manager in the first instance:

Resolution Capital Limited  
Suite 31.02, 20 Bond Street  
Sydney NSW 2000  
Phone: +612 8258 9188  
Email: [clientservices@rescap.com](mailto:clientservices@rescap.com)

Please include the following information in your correspondence:

- your investor number;
- your preferred contact detail; and
- a brief description of your complaint and/or matters that you would like addressed.

All complaints received will be acknowledged in writing within 1 Business Day or as soon as practicable. The Investment Manager will act in good faith to ensure your complaint is investigated and resolved.

If your issue has not been satisfactorily resolved within 30 days, you may lodge a complaint with the Manager for resolution through its internal dispute resolution process:

FundRock NZ Limited  
Level 2, Woodward House  
1 Woodward Street  
PO Box 25003  
Wellington 6140  
Telephone: (04) 499 9654  
Email: [contact@fundrock.com](mailto:contact@fundrock.com)

The dispute resolution process described in this IM is only available in New Zealand.

If you are an indirect investor, you may either contact your platform operator or us with complaints relating to the Fund. Complaints regarding the operation of your account with the platform should be directed to the platform operator. If you have first raised a complaint with your platform operator and are not happy with how the complaint has been handled, you should raise that with the platform operator or the platform operator's external dispute resolution service.

## 10 PRIVACY

### How information will be used

All Personal Information will be collected, used and stored by the Manager in accordance with our Privacy Policy, a copy of which is available at [www.fundrock.com](http://www.fundrock.com) or on request.

### Collecting and using your information

The Unit Registry or the Investment Manager and their delegates on behalf of the Manager may collect Personal Information during the application process.

We collect information for the following purposes:

- to process your application;
- to administer your investment and provide you with reports;
- to monitor and improve the quality of service provided to you; and
- to comply with regulatory or legal requirements, including taxation laws, the AML/CFT Law, FATCA and CRS.

### Accessing and correcting your details

You can access, correct or update any Personal Information we hold about you, subject to some exceptions allowed by law, by contacting the Manager. To ensure that the Personal Information we retain about you is accurate, complete and up to date, please contact the Manager if any of your details change.

### What happens if you don't provide information

If, for any reason, you don't provide all necessary information, we may not be able to process your application and this may have implications for your investment. For example:

- we may not be able to give effect to subsequent transaction requests (including additional applications or withdrawals) until all required information has been provided; or
- we may need to notify the Inland Revenue or international tax offices, or apply the highest PIE tax rate to your investment.

### Disclosing your information

We exchange your Personal Information with your adviser, authorised representative, attorney and any other third parties if you request or provide consent to us. In addition, we may exchange Personal Information about you in the following circumstances:



- you consent to the disclosure;
- such disclosure is to your joint investor (if any);
- with companies that provide services to us, to our related companies, to the Fund, or on our behalf (and our related companies may also exchange personal information with these companies) on the basis they deal with such information in accordance with their respective privacy policies - for example administration, custody, investment management, technology, identity verification, auditing, registry, mailing or printing services. These service providers may be located outside New Zealand (for example in Australia or elsewhere), where your Personal Information may not receive the same level of protection as that afforded under New Zealand law;
- where required or authorised by law, which may include disclosures to the New Zealand Inland Revenue and other government or regulatory bodies; or
- with organisations related to us, whether in New Zealand or any overseas jurisdiction.

## 11 KEEPING YOU INFORMED

By making an application to acquire a unit, you agree to receive certain communications and disclosures in relation to the Fund and units in digital form.

### Confirmation statement

A statement of confirmation will be sent to you for your initial investment, as well as any additional investments and withdrawals.

### Transaction statement

You will receive a transaction statement on a monthly basis. The transaction statement will provide you with the total value of your investment as at the end of that period, including any withdrawals, investments and distributions received.

### Distribution statement

When the Fund makes a distribution, a statement will be sent to you in the month following the end of a distribution period, detailing your income distribution and current balance.

### Annual taxation statement

After making any distribution for the period ended 31 March each year, an annual taxation statement will be forwarded to you shortly after 31 March.

### Annual financial statements

The annual financial statements for the Scheme, detailing the financial performance of the Fund for the financial year ending 31 March, will be made available by the Manager to unitholders after 31 July each year.

## 12 OTHER INFORMATION

### Additional information

#### Consents

Resolution Capital has consented to be named in this IM in the form and context in which they are named and, as at the date of this IM, have not withdrawn their consent. Resolution Capital consents to the inclusion of statements about its investment strategy, statements about the extent to which it takes labour standards and environmental, social and ethical considerations into account in making investment decisions, information about its investment team, and statements about when Resolution Capital will effect derivatives strategies (where relevant), as outlined in Section 6. Resolution Capital has not authorised or caused the issue of any part of this IM and takes no responsibility for any part of this IM other than the inclusion of the statements referred to above.

#### Indirect investors

Investors and prospective investors may also access the Fund indirectly. This IM has been authorised for use by platform operators. People who invest through a platform are indirect investors. Such indirect investors do not acquire the rights of a unitholder of the Fund. Rather, it is the platform operator. Therefore, indirect investors do not receive

income distributions or reports directly from us, do not have the right to attend meetings of unitholders and do not have cooling off rights. Different investment, balance and withdrawal minimums may also apply. Indirect investors should not complete the Fund's application form. The rights of indirect investors are set out in the agreement with the platform operator. If you are investing through a platform, enquiries should be made directly to the platform operator.

## 13 DEFINED TERMS

TERM	DEFINITION
ABN	Australian Business Number.
ADMINISTRATOR	the appointed administrator of the Fund.
AFSL	an Australian financial services licence issued by ASIC.
AML/CFT LAW	our obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and associated rules and regulations.
APPLICATION FORM	the application form for the Fund.
BUSINESS DAY	a day which is not a Saturday, Sunday or public holiday in Wellington, New Zealand
BUY/SELL SPREAD	the difference between the entry and exit price for a Fund, relating to transaction costs. It is a set, average percentage amount paid by investors when they transact.
CRS	OECD Common Reporting Standards.
FATCA	Foreign Account Tax Compliance Act.
FUND	Resolution Capital Global Property Securities PIE Fund.
CUSTODIAN	the appointed custodian of the Fund.
MANAGER	FundRock NZ Limited
NZBN	New Zealand Business Number.
PERSONAL INFORMATION	information about an identifiable individual.
RESOLUTION CAPITAL OR INVESTMENT MANAGER	Resolution Capital Limited ABN 50 108 584 167 AFSL 274491.
SCHEME	the Resolution Capital Investment Funds scheme.
THE US SECURITIES ACT	US Securities Act of 1933, as amended.
TRUST DEED	the Master Trust Deed – FundRock Wholesale Schemes, dated 21 December 2023, the Scheme Establishment Deed for the establishment of the Resolution Capital Investment Funds dated 16 July 2024, and the Fund Establishment Deed for the establishment of the Resolution Capital Global Property Securities PIE Fund dated 16 July 2024, each entered into by the Manager and Public Trust as the independent trustee, each as amended from time to time. The Trust Deed describes the rights, responsibilities and beneficial interests of unitholders, the Manager and the Independent Trustee, in relation to the Scheme and Fund.
UNIT REGISTRY	the appointed unit registry of the Fund.
US PERSONS	U.S. Persons, as defined in Regulation S of the U.S. Securities Act 1933, include: <ul style="list-style-type: none"> <li>any natural person resident in the United States;</li> </ul>

	<ul style="list-style-type: none"> <li>• any partnership or corporation organised or incorporated under the laws of the United States;</li> <li>• any estate of which any executor or administrator is a US person;</li> <li>• any trust of which any trustee is a US person;</li> <li>• any agency or branch of a foreign entity located in the United States;</li> <li>• any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US person;</li> <li>• any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; or</li> <li>• any partnership or corporation if organised or incorporated under the laws of any foreign jurisdiction and formed by a US person principally for the purpose of investing in securities not registered under the US Securities Act of 1933, as amended ('the Act'), unless it is organised or incorporated, and owned, by accredited investors (as defined in rule 501(a) of Regulation D under the Act) who are not natural persons, estates or trusts.</li> </ul>
WITHDRAWAL REQUEST	the form that must be completed when making a withdrawal of your investment from the Fund.