



Kayne Anderson Rudnick
Investment Management

Kayne Anderson Rudnick Global Small Cap Fund

ARSN 658 041 662

Product Disclosure Statement (PDS)

Issued 11 December 2023

This PDS is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235150 (referred to throughout this PDS as **Responsible Entity, we, us, our**), as responsible entity of the Kayne Anderson Rudnick Global Small Cap Fund ARSN 658 041 662 (**Fund**). The investment manager of the Fund is Kayne Anderson Rudnick Investment Management, LLC (referred to throughout this PDS as **KAR, Investment Manager**).

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Contact

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Administrator:

Apex Fund Services Pty Ltd.
GPO Box 4968

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Email: registry@apexgroup.com

Important Information

The Product Disclosure Statement (**PDS**) provides a summary of significant information relating to the Fund. It also includes references to important information which is included in the 'Additional Information Booklet' (**Booklet**), which forms part of this PDS. Both documents provide important information you should read before making a decision to invest in the Fund. A copy of this PDS and the Booklet may be obtained free of charge on request by contacting the Responsible Entity. **This offer is only open to wholesale investors and platforms.**

The information provided in this PDS is general information only and does not take into account your personal financial situation or needs. Before making an investment decision, it is important that you have received, read, and understood this PDS, and that you obtain your own independent financial advice tailored to your personal circumstances. Capitalised terms in this PDS are defined in section 10 'Glossary'.

All dollar amounts are in Australian dollars unless otherwise indicated. Neither the Responsible Entity, the Investment Manager, nor any other entity associated with either the Responsible Entity or the Investment Manager guarantees the repayment of capital or performance of the Fund or any specific rate of return from the Fund. The PDS does not constitute an offer or invitation in any jurisdiction other than in Australia and the offer under the PDS may only be accepted in Australia.

The Target Market Determination (**TMD**) for this Fund can be found at <https://kayne.com/investment-management/investment-strategies/australian-unit-fund> and includes a description of who the Fund is appropriate for.

Updated Information

The information in this PDS is up to date at the time of preparation. This PDS may be updated with changes that are not materially adverse via disclosure on the Investment Manager's website, at <https://kayne.com/investment-management/investment-strategies/australian-unit-fund>. Upon request, a paper copy of this information will be made available without charge by contacting the Responsible Entity. If you invest through an IDPS, an IDPS-like scheme, superannuation master trust or superannuation wrap account and nominee and custody service (collectively referred to in this PDS as an **Investor Platform**), updated information may also be obtained from your Investor Platform Operator. If you invest through a financial adviser, you may also obtain updated information from your financial adviser. Where a change to this PDS is considered materially adverse, we will issue a replacement PDS.

1. About The Trust Company (RE Services) Limited

The Responsible Entity

The Trust Company (RE Services) Limited, the Responsible Entity for the Fund, is a wholly owned subsidiary of Perpetual Limited ABN 86 000 431 827, and a part of Perpetual Group which has been in operation for over 135 years. Perpetual Limited is an Australian public company that has been listed on the Australian Securities Exchange for over 55 years.

The Responsible Entity holds Australian Financial Services Licence number 235150 issued by ASIC, which authorises it to operate the Fund.

The Responsible Entity is bound by the Constitution and the Corporations Act. The Responsible Entity has lodged a compliance plan with ASIC which sets out the key measures which the Responsible Entity will apply to comply with the Constitution and the Corporations Act.

The Responsible Entity has the power to delegate certain aspects of its duties. The Responsible Entity has appointed Kayne Anderson Rudnick Investment Management, LLC as the investment manager of the Fund, and Apex Fund Services Pty Ltd ABN 81 118 902 891, AFSL 303253 as Custodian and Administrator of the Fund and also to provide registry services for the Fund (Administrator).

The Investment Manager

Kayne Anderson Rudnick Investment Management, LLC is the Investment Manager for the Fund. KAR is authorised and regulated by the U.S. Securities and Exchange Commission as an investment advisor. As the Investment Manager, KAR is responsible for managing the investments of the Fund.

KAR is a global asset manager based in Los Angeles, California and is a wholly owned subsidiary of Virtus Investment Partners, Inc. KAR serves a diverse client base including corporations, endowments, foundations, and mutual funds, and currently manages approximately USD \$53.5bn in assets under management as of 30 June 2023.

Please see Section 5 of this PDS for more information.

2. How the Kayne Anderson Rudnick Global Small Cap Fund Works

Structure of the Fund

The Fund is a registered managed investment scheme. Investors' funds are pooled and managed in accordance with the Fund's investment strategy. By investing in the Fund, you gain access to investments that otherwise may not be available to you and can benefit from the expertise and insights of KAR's investment team. The Fund gains exposure to global small-cap equities by investing primarily in listed high-quality small-cap companies located in the United States of America and abroad, at valuations KAR deems to be attractive. The Fund may in limited circumstances use derivatives (e.g., equity-linked notes, participation notes) to achieve exposure to certain foreign stock markets but will not use derivatives for gearing purposes or speculative activities.

As an investor, you have a fixed beneficial interest in the assets of the Fund calculated in the proportion of your Unit holding in relation to all of the Units in the Fund which have been issued. You do not however have a right to demand that any particular asset of the Fund be transferred to you.

More information on managed investment schemes can be accessed at www.moneysmart.gov.au.

Price of your Units

The total value of the net assets in the Fund is divided into units of equal value and a unit price is calculated in accordance with the Constitution on each Business Day. When you make an investment in the Fund, we will issue you with Units in the Fund representing your investment. The number of Units you receive is based on the Application Price, similarly, when you make a withdrawal from the Fund, units are redeemed at the Withdrawal Price. Your return will reflect the performance of the investments made by the Fund, after fees and costs.

When buying or redeeming Units, the Application Price, or Withdrawal Price you pay or receive will be a Unit price adjusted on account of the buy/sell spread. The buy/sell spread is an adjustment which takes into account any buying and selling costs associated with the underlying assets of the Fund. Refer to Section 6 for further information.

The Unit prices will generally change daily as the market value of the assets in the Fund rises or falls. Application Prices and Withdrawal Prices for each Business Day are available on the KAR website on the following Business Day.

Applications

You can invest in the Fund:

1. by completing an application form available from the KAR website; or
2. through an Investor Platform such as an IDPS. Investors investing through an Investor Platform are indirect investors.

Applications will only be processed on Business Days. The cut-off time each Business Day for receiving applications is 2.00pm Sydney time. Correctly completed applications (including cleared funds and any requested AML/CTF documentation) received before the cut-off time will be processed using the issue price on that day. Applications received after that time, or on a non-Business Day, will be taken to have been received before the cut-off time on the next Business Day and will be processed using the issue price on that day.

Incomplete or invalid applications will not be processed until all the correct information is received.

You can add to your investment at any time by completing the Additional Application Form (available on the KAR website). Refer to Section 8 for more information. Confirmation of an investment will normally be issued within 5 Business Days after the application is processed. We reserve the right to accept or reject an application (in whole or in part) at our discretion.

Indirect investors may be subject to different conditions from those referred to in this PDS, refer to 'Indirect Investors' later in this section for more information.

Minimum Investment

For wholesale investors completing an Application Form, the minimum initial investment in the Fund is \$500,000. Amounts in addition to this minimum investment may be contributed in amounts of no less than \$100,000. There is a minimum balance of \$250,000. We may reduce this minimum initial investment at our discretion. Indirect investors should refer to their Investor Platform Operator's offer document for minimum initial and additional investment amounts.

Withdrawals

When the Fund is 'liquid' (as defined in the Corporations Act), you may make withdrawal requests for all or part of your investment in accordance with the procedure set out in the Constitution.

A withdrawal request may be made by submitting a written request to redeem all or part of your Units to the Administrator. Withdrawal requests received before 2.00pm Sydney time on a Business Day will generally be processed using the Withdrawal Price applicable for that day. Withdrawal requests received after that time, or on a non-Business Day will generally be processed using the Withdrawal Price applicable for the next Business Day and will be processed using the Withdrawal Price on that day.

Generally, the proceeds of a withdrawal request will be paid within 5 Business Days of our acceptance of a withdrawal request but may take longer in some circumstances.

Indirect investors may be subject to different conditions from those referred to in this PDS, refer to 'Indirect Investors' later in this section for more information.

There may be instances where your ability to withdraw from the Fund is restricted and you may not be able to redeem your investment within the usual period (e.g., a suspension on withdrawals or where the Fund is 'non-liquid' as defined in the Corporations Act).

Distributions

The Fund may pay distributions annually (30 June). When distributions are paid, they are usually paid within 30 days after year end.

Your entitlement to distributable income is calculated by determining the income of the Fund for the period after allowing for all expenses incurred by the Fund, and dividing the total distributable income per Unit and multiplying the income per Unit by the number of Units that you hold.

The distributions you receive are generally classed as assessable income. If you invest during a distribution period, you may get back some of your capital as income. In some circumstances, we may hold back some income (including capital gains) until the final distribution at the end of June to allow for market volatility.

Unless you instruct otherwise, your distribution entitlement will be reinvested. Distributions are reinvested on the distribution date at an Application Price calculated by dividing the NAV of the Fund (which excludes the distribution amount) by the number of Units on issue. Investors should be aware that there may be tax implications associated with the reinvestment of your income entitlement, as Investors will be treated as though they had received the distribution in cash. Investors should obtain professional tax advice on this issue before investing in the Fund and make their own arrangements for any tax liabilities that arise.

Indirect Investors

We authorise the use of this PDS as disclosure to investors who wish to access the Fund indirectly through an Investor Platform such as an IDPS, an IDPS-like scheme, superannuation master trust or superannuation wrap account. In this circumstance, the Investor Platform Operator becomes an investor in the Fund, acquires the rights of an investor and can exercise, or decline to exercise, these rights on your behalf.

As well as reading this PDS, indirect investors should read their Investor Platform Operator's offer document, which explains the service and the fees payable. Indirect investors should follow the instructions of their Investor Platform Operator to buy or sell units in the Fund.

Indirect investors may be subject to different conditions from those referred to in this PDS, particularly with regard to cut-off times for transacting, the timing of distributions, processing of

applications and withdrawals, as well as Fund reporting and investor communications.

3. Benefits of Investing in the Kayne Anderson Rudnick Global Small Cap Fund

Significant Features

The Fund has features which include:

- Pursues long-term capital appreciation in global small-cap stocks while seeking to provide a lower risk profile than the MSCI ACWI Small Cap Index (net) over a complete market cycle.
- An actively managed and diversified portfolio of global small-cap shares that are believed to be undervalued relative to their long-term potential.
- A bottom-up, fundamental research approach that seeks out companies with a durable competitive advantage and owner-oriented management.
- A currency unhedged investment.
- A concentrated portfolio with typically 40-50 holdings that is diversified both by sector and geography.
- Low portfolio turnover with an average holding period of 3-to-5 years.

Significant Benefits

Some of the benefits that may arise from an investment in the Fund include:

- Potential for long-term capital growth and enhanced performance from active management.
- Access to a portfolio diversified by country, sector, and company, which aims to deliver excess returns over a complete market cycle.
- Access to the investment knowledge and expertise of KAR's network of investment professionals.
- Access to a portfolio that seeks to exhibit lower overall risk characteristics relative to its benchmark.

4. Risks of Managed Investment Schemes

All investments carry risk. Different strategies may carry different levels of risks, depending on the assets that make up the strategy. The likely investment return and the risk of losing money are different for every investment. Assets with the highest long-term returns may also carry the highest level of short-term risk. When you make an investment, you are accepting the risks of that investment. It is important to understand these risks before deciding to invest. The appropriate level of risk for you will depend on a range of factors, including your age, investment time frame, where other parts of your wealth are invested and your overall risk tolerance. We recommend you obtain appropriate professional advice in relation to your individual circumstances before making any investment decision regarding the Fund.

Risks can be managed but cannot be eliminated. It is important to understand that the value of your investment and the returns on your investment will vary. Returns are not guaranteed, and you may lose some or all of your money you invest in the Fund. Future returns may also differ from past returns.

Some of the significant risks associated with an investment in the Fund are:

- **Fund risk:** Refers to the specific risks associated with the Fund, such as changes to the fees and expenses, responsible entity, investment manager or team, and the termination of the Fund.
- **Legal and regulatory risk:** The Fund may be adversely affected by future changes in applicable laws and regulations (or their interpretation), including tax laws.

- **Investment Manager risk:** The financial performance of the Fund depends primarily on the level of skill and performance of KAR and the successful implementation of the investment strategy. There is a risk that KAR may make poor investment decisions or that its investment methods result in poor, nil, or negative returns.
- **Liquidity risk:** In some circumstances, the Fund's assets may be difficult or impossible to sell, either due to factors specific to that security or to prevailing market conditions. Liquidity risk is the risk that an asset is unable to be sold within a timely period and at a fair price, potentially resulting in delays or the suspension of withdrawal processing.
- **Market risk:** The market price of investments held by the Fund may decline, sometimes quickly or unpredictably due to factors affecting the market. These factors may include economic, technological, political, legal, regulatory, and environmental impacts.
- **Specific security risk:** Investments by the Fund made into shares in a company will be subject to many of the risks to which that company is itself exposed. These risks may impact the value of the securities of that company and hence the Fund. These risks include changes in internal operations or management of the company or changes in the business environment in which the company operates.
- **Market volatility risk:** Local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the portfolio and its investments, including hampering the ability of the Investment Manager to invest the Fund's assets as intended.
- **Foreign and emerging markets risk:** Investing in foreign securities, especially in emerging markets, subjects the portfolio to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market risk.
- **Depository receipts risk:** Investments in American Depositary Receipts (ADRs) sponsored by U.S. banks, European Depositary Receipts (EDRs), Global Depositary Receipts (GDRs), ADRs not sponsored by U.S. banks, other types of depository receipts (including non-voting depository receipts) and other similar instruments representing securities of foreign companies have unique risks. Although certain depository receipts may reduce or eliminate some of the risks associated with non-U.S. investing, these types of securities generally are subject to many of the same risks as direct investment in securities of non-U.S. issuers.
- **Derivative risk:** The Fund can invest in certain types of derivatives (e.g., equity-linked notes, participation notes) in circumstances where the Investment Manager determines that it is less efficient to obtain direct access to a foreign stock market. The value of these instruments generally moves according to movement in the underlying asset and therefore investment in these instruments typically involves the same risks associated with a direct investment in the underlying securities. These instruments typically constitute general unsecured contractual obligations of the banks or broker-dealers that issue them, which subjects a Fund that hold them to counterparty risk and this risk may be amplified if the Fund purchases these instruments from only a small number of issuers.
- **Concentration risk:** Concentrated investments in the securities of fewer issuers than more diversified funds may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers and, as a result, the Fund may experience increased risk of loss and increased volatility.

5. How We Invest Your Money

Warning: Before choosing to invest in the Fund, you should consider the likely investment return, the risk, and your investment timeframe.

Description of the Fund

The Fund provides investors with the potential for long-term capital growth by providing exposure to a diversified portfolio of global shares.

Benchmark

MSCI All Country World Index Small Cap Index.

Investment Return Objective

The Fund aims to achieve returns in excess of the benchmark over the medium to long term and to achieve this return with a portfolio that exhibits lower overall risk characteristics. The returns from the Fund are not guaranteed.

The Fund Is Suitable For

Investors seeking an investment return objective similar to the Fund and who are comfortable with the risks of investing and the investment time frame, as described in this PDS. A TMD for the Fund has been prepared and is available at <https://kayne.com/investment-management/investment-strategies/australian-unit-fund>. The TMD states that the target market is an investor seeking capital growth as a minor or satellite component within a portfolio where the investor has a minimum investment timeframe of five (5) years, a high risk/return profile, and needs daily access to capital (which can take up to five Business Days after a withdrawal request is accepted to receive). The TMD outlines further information regarding the class of investors for whom the Fund, including its key attributes, would likely be consistent with that class of investor's likely objectives, financial situation (including proportion of the Fund as a component of their total investable assets) and needs.

Risk Level

High.

The potential for loss and unit price variability over the short term is high. Refer to Section 4 for more information.

Minimum Suggested Time Frame

5+ years.

Asset Classes and Ranges

Global securities: 0% to 100%

U.S. securities: 30% to 70%

Non-U.S. securities: 30% to 70%

Derivatives (e.g., equity-linked notes, participation notes): 0% to 15%

Cash: 0% to 10%

The Fund's actual asset allocation will vary from time to time. See our website (<https://kayne.com/investment-management/investment-strategies/australian-unit-fund>) for current details.

Labour Standards, Environmental, Social and Ethical Considerations

The Responsible Entity does not take into account labour standards and environmental, social, and ethical considerations for the purpose of selecting, retaining, or realising investments of the Fund. However, the Responsible Entity has delegated investment management decisions for the Fund to the Investment Manager.

KAR's investment process takes into account key environmental, social and governance (ESG) issues (including

ethical considerations and labour standards) in the selection, retention, and realisation of investments in the Fund.

Where material to a particular investment opportunity and consistent with the Fund's investment goals and objectives, KAR seeks to consider ESG issues that KAR believes may influence risks and rewards as an element of KAR's investment research and decision-making processes. As part of these processes, KAR uses a proprietary ESG ratings framework to generate ESG ratings, which incorporates data from external sources to supplement KAR's internal research. For KAR's internally generated ratings, for each sector, KAR has identified key issues that it believes are the most material and financially relevant. Additional information regarding ESG assessment practices are included in Section 5 of the Booklet.

Changes to Fund Details

Subject to the Corporations Act and the Constitution, we may change or update the Fund's investment return objective, and/or strategy, asset classes or investment ranges from time to time. We will inform investors of any material changes to the Fund's details as required by law.

You should read the important additional information about how we invest your money including our approach to labour standards, environmental, social, and ethical considerations in the Booklet before making a decision to invest in the Fund. Refer to Section 5 of the Booklet. The material relating to the investment of your money may change between the time you read this PDS and the day when you acquire the product.

6. Fees and Other Costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

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

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

To Find Out More

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

The ASIC managed funds fee calculator at www.moneysmart.gov.au can also be used to calculate the effect of fees and costs on account balances.

Fees and Costs Summary

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Fund's assets as a whole. The fees that are paid out of the Fund's assets are reflected in the Unit price. You can use this table to compare this Fund with other simple managed investment schemes.

Unless otherwise stated, the fees and costs in this section are shown inclusive of GST and net of reduced input tax credits.

Information about how the Fund is taxed is set out in Section 7 of this PDS. You should read all the information as it is important to understand their impact on your investment.

Kayne Anderson Rudnick Global Small Cap Fund		
Type of Fee or Cost ^{1,2}	Amount	How and when paid
Ongoing annual fees and costs		
Management fees and costs³ The fees and costs for managing your investment	Estimated management fees and costs of 2.49% p.a. of the NAV of the Fund, comprised of: <ul style="list-style-type: none"> ▪ Estimated management fees of 0.99% of the NAV of the Fund. ▪ Estimated operating expenses of 1.50% of the NAV of the Fund.⁴ ▪ Estimated indirect costs of 0.00% of the NAV of the Fund. 	The management fee*: <ul style="list-style-type: none"> ▪ accrues daily and is deducted from the assets of the Fund and reflected in the Fund's Unit price. ▪ is paid monthly [in arrears] from the Fund's assets. Operating expenses include audit, legal, and administrator expenses. The operating expenses and indirect costs are generally deducted from the assets of the Fund as and when they occur and are reflected in the Fund's Unit price.
Performance fees Amounts deducted from your investment in relation to the performance of the Fund.	Nil	Not applicable
Transaction costs⁵ The costs incurred by the Fund when buying or selling assets	Estimated transaction costs of 0.13% p.a. of the NAV of the Fund.	Transaction costs are variable and deducted from the assets of the Fund as and when they are incurred. They are reflected in the Fund's Unit price and are expressed net of any amount recovered by the buy-sell spread. Transaction costs are shown net of any amount recovered by the buy/sell spread charged to transacting investors.
Member activity related fees and costs (fees for services or when your money moves in or out of the Fund)		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable

Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the Fund	0.25% upon entry and 0.25% upon exit	These costs are an additional cost to the investor but are incorporated into the Unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor.
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 See 'Additional Explanation of Fees and Costs' for further details on fees and costs that may be payable.

² The fees and costs in this table do not include fees that may be payable to your financial adviser. Refer to your statement of advice provided by your financial adviser in which the details of these fees are set out.

³ Refer to 'Additional Explanation of Fees and Costs' for more information. Please see the Additional Explanation of Fees and Costs, below, for important information on the figures presented in the table.

⁴ Please see the Additional Explanation of Fees and Costs, below, for important information on the figures presented in the table.

⁵ As the Fund did not operate for the full financial year ended 30 June 2023, the estimated transaction costs reflect the Fund's actual transaction costs for the period 1 July 2023 through 30 September 2023, which were then annualised (adjusted to reflect a 12-month period) to provide a reasonable estimate at the date of this PDS of those costs that will apply for the current financial year. As a result, these figures are indicative only and may change in subsequent years and therefore may be higher or lower.

* The amount of this fee can be negotiated.

Additional fees may apply. The fees and costs of the Fund can change, including those set out in the table above. For more details information on fees and costs refer to Section 6 in the Booklet and 'Additional Explanation of Fees and Costs' later in this section of the PDS. Investors should also consider government taxes and other duties that may apply to an investment in the Fund. Additional information about taxes is included in Section 7 of the Booklet

Example of Annual Fees and Costs for the Fund

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

Example - Kayne Anderson Rudnick Global Small Cap Fund	Balance of \$50,000 with a contribution of \$5,000 during a year.¹
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Contribution fees	Nil	For every \$5,000 you put in you will be charged \$0.
Plus Management fees and costs	1.25% p.a. ²	And , for every \$50,000 you have in the Fund, you will be charged or have deducted from your investment \$625 each year.
Plus Performance fees	Nil	And , you will be charged or have deducted from your investment \$0 in performance fees each year.
Plus Transaction costs	0.13% p.a.	And , you will be charged or have deducted from your investment \$65 in transaction costs.
Equals cost of Fund	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of \$690 .	

¹ The example above assumes the \$5,000 contribution was made on the last day of the year and the value of the investment is constant. This calculation is therefore calculated using the \$50,000 balance only.

² As stated below under the Additional Explanation of Fees and Costs, the above Example uses a management fees and costs amount of 1.25% p.a. on the basis of the Investment Manager's intention to subsidise management fees and costs of the Fund such that the management fees and costs charged to the Fund do not exceed 1.25% p.a.

You should read the important information about fees and costs in the Booklet before making a decision to invest in the Fund. Go to Section 6 of the Booklet.

This material relating to the fees and costs may change between the time you read this PDS and the day when you acquire the product.

Additional Explanation of Fees and Costs

As the Fund did not operate for the full financial year ended 30 June 2023, estimated management fees and costs, estimated operating costs, estimated indirect costs, and estimated transaction costs are based on the Fund's actual costs for the period 1 July 2023 through 30 September 2023 which were then annualised (adjusted to reflect a 12-month period) to provide a reasonable estimate at the date of this PDS of those costs that will apply for the current financial year. Estimated operating and transaction costs are higher than expected given that there has been elevated trading as the fund received subscriptions, which increases these operating and transaction costs.

Estimated management fees and costs shown above include amounts that have been subsidised by the Fund's Investment Manager (and not in fact incurred by the Fund). The estimated amount that was actually paid by the Fund during the period 1 July 2023 through 30 September 2023 was an annualised 0.74% p.a. of NAV while the amount paid by the Fund's Investment Manager was an annualised 1.75% p.a. of NAV. As of the date of this PDS, the Fund's Investment Manager intends to continue to subsidise a portion of the estimated management fees and costs so that the total management fees and costs incurred by the Fund is not more than 1.25% p.a. If the Investment Manager does not subsidise management fees

and costs, then the Responsible Entity will be entitled to pay these fees and costs from the assets of the Fund, and in the event this should happen, the fees and costs incurred will be higher than what has been disclosed.

Management Fees and Costs

The management fees and costs include amounts payable for administering and operating the Fund, investing the assets of the Fund, expenses, and reimbursements in relation to the Fund and indirect costs, where applicable. Management fees and costs do not include performance fees or transactions costs.

Management fees and costs generally include Responsible Entity fees, investment management fees, custody and administration fees, audit costs, legal costs and other ordinary and abnormal expenses, and costs charged by the Responsible Entity in establishing the Fund. Such establishment costs will be amortised over a period of 5 years and will be paid from the Fund's assets. Please refer to Section 6 of the Booklet for more information.

Changes to Fees or Costs

We have the right to increase the fees and costs without your consent (up to any maximum that is allowed under the Constitution). If we increase the fees, you will be given at least 30 days' prior written notice, or any longer notice period specified in the Constitution. Please refer to Section 6 of the Booklet for more information.

Transaction Costs and Buy/Sell Spread

Transaction costs are incurred when assets are bought and sold within the Fund, and include brokerage, clearing, and settlement costs incurred by the Fund. These costs are generally deducted from the Fund's assets when incurred and are reflected in the Unit price of the Fund. They are an additional cost to you and are not directly charged or retained by us for acting as the responsible entity of the Fund. The impact of the transaction costs can be partly or fully offset by the buy/sell spread charged by us to transacting investors.

The transaction costs disclosed in this PDS of the Fund is shown gross of any amount recovered by the buy/sell spread paid by investors who bought or sold units in the Fund.

Sometimes, transaction costs are incurred by the Fund by buying and selling investments to meet investor applications or withdrawals. The purpose of the buy/sell spread is to ensure that those investors transacting in the Units at a particular time bear the costs of buying and selling the Fund's assets as a consequence of their transaction. The buy/sell spread is an additional cost to investors but is not a fee paid to any party; rather, it is retained as an asset of the Fund.

Please note, the buy/sell spread may change from time to time and transaction costs may differ in future years.

Negotiable Fees

Investors who are 'wholesale clients' as defined in the Corporations Act may be able to negotiate different management fee arrangements to those described, having regard to factors such as the amount of their investment.

7. How Managed Investment Schemes are Taxed

Warning: Investing in a managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice.

Generally, managed investment schemes do not pay tax, and investors are assessed for tax on a share of the taxable income of the scheme at their marginal tax rate for an individual and at the corporate tax rate for companies. Investors may also be taxed when they withdraw from the Fund or otherwise dispose of Units in the Fund.

You should read the important information about taxation in the Booklet before making a decision to invest. Go to Section 7 of the Booklet.

This material relating to the taxation of managed investment schemes may change between the time you read this PDS and the day when you acquire the product.

8. How to Apply

Investors should follow the steps below to invest in the Fund:

- Read this PDS and the Booklet in their entirety. These documents are available at <https://kayne.com/investment-management/investment-strategies/australian-unit-fund> or by contacting the Administrator on 1300 133 451.
- Complete the Application Form available at <https://kayne.com/investment-management/investment-strategies/australian-unit-fund> or by contacting the Administrator on 1300 133 451.
- You can invest by depositing your application money via electronic funds transfer with your investment name as the payment reference. Payment details are outlined in the Application Form.
- You should mail your completed forms together with the required identification documents to:
Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2000

If you are investing through an Investor Platform, please contact your financial adviser or Investor Platform Operator for details on how to invest in the Fund.

Cooling-off Period

If you are a wholesale client pursuant to the Act (**Wholesale Client**) or investing through an Investor Platform, no cooling off rights apply in respect of any investment in the Fund acquired by you or your Investor Platform Operator on your behalf. For information about any cooling off rights that may apply to you in respect of the Investor Platform that you invest through, please contact your Investor Platform Operator directly or refer to their offer document.

Complaints

The Responsible Entity has established procedures for dealing with complaints. If an investor has a complaint, they can contact the Responsible Entity and/or the Administrator during business hours, using contact details provided in the PDS.

We will endeavour to resolve your complaint fairly and as quickly as we can. We will respond to your complaint within the maximum response timeframe of 30 days. If we are unable to respond within the maximum response time because we have not had a reasonable opportunity to do so, we will write to you to let you know of the delay.

All investors (regardless of whether you hold Units in the Fund directly or hold Units indirectly via an Investor Platform) can access the Responsible Entity's complaints procedures outlined above. If investing via an Investor Platform and your complaint concerns the operation of the Investor Platform, then you should contact the Investor Platform Operator directly.

If an investor is not satisfied with the final complaint outcome proposed, any aspect of the complaints handling process or a delay in responding by the maximum response time, the Australian Financial Complaints Authority (**AFCA**) may be able to assist. AFCA operates the external complaints resolution scheme of which the Responsible Entity is a member. If you seek assistance from AFCA, their services are provided at no cost to you.

You can contact AFCA on 1800 931 678, or by writing to:

Australian Financial Complaints Authority

GPO Box 3
Melbourne VIC 3001
Email: info@afca.org.au

Website: www.afca.org.au

9. Additional Information

Keeping You Informed

We will keep you up to date regarding your investment. If you have invested directly by completing an Application Form you will receive, or have access to via KAR's website (<https://kayne.com/investment-management/investment-strategies/australian-unit-fund>) the following reports:

- A periodic statement detailing the transactions (including distributions) during the period, the balance of your investment and fees and costs.
- A distribution statement (if, and when, distributions are paid).
- An annual tax statement or an Attribution Managed Investment Trust (AMIT) Member Annual Statement (AMMA) containing a summary of your distributions for the financial year.
- The annual financial report for the Fund.

Indirect investors will be provided with, or given access to, these reports by their Investor Platform Operator. You can choose whether to have notice of meeting and any other meeting related documents sent to you in physical or electronic form. When you complete the application form you will be asked to make an election (which you can change at any time). You can also request to have any specific meeting related document provided to you in physical or electronic form at any time by contacting the Responsible Entity on the contact details shown on the first page of this document.

Continuous Disclosure

When and while the Fund has 100 or more investors, it will be a disclosing entity and subject to certain reporting and continuous disclosure obligations under the Corporations Act. We will meet our continuous disclosure obligations in respect of the Fund by publishing material information on KAR's website at <https://kayne.com/investment-management/investment-strategies/australian-unit-fund> in accordance with the requirements of the law. Copies of the documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office.

You have a right to obtain a copy of the following documents from us at no charge to you:

- the Fund's latest annual financial report lodged with ASIC;
- any half-year report lodged with ASIC after the lodgement of the Annual Report and before the date of this PDS; and
- any continuous disclosure notice given by the Fund after lodgement of the annual financial report and before the date of this PDS.

10. Glossary

The following terms used in this PDS have the meanings set out below:

Administrator means Apex Fund Services Pty Ltd ABN 81 118 902 891.

AFSL means Australian Financial Services Licence.

Application Form means an application form for the Fund which accompanies the PDS and is available on the website at <https://kayne.com/investment-management/investment-strategies/australian-unit-fund>.

Application Price means the price at which Units are issued in accordance with the Constitution.

Business Day means a day on which banks are open for business in Sydney, excluding Saturday, Sunday, or public holidays.

Constitution means the constitution of the Fund dated 14 March 2022 as amended or replaced from time to time.

Corporations Act means the Corporations Act 2001 (Cth), as amended from time to time.

Fund means Kayne Anderson Rudnick Global Small Cap Fund ARSN 658 041 662.

GST means Goods and services tax as defined in A New Tax System (Goods and Services Tax) Act 1999 (Cth) as amended from time to time or goods and services tax as charged under equivalent legislation in jurisdictions outside Australia.

IDPS has the same meaning as in ASIC Corporations (Investor Directed Portfolio Services) Instrument 2023/669, as amended from time to time.

IDPS-like has the same meaning as in ASIC Corporations (Investor Directed Portfolio Services Provided Through a Registered Managed Investment Scheme) Instrument 2023/668, as amended from time to time.

Investor Platform includes an IDPS, IDPS-like scheme, superannuation master trust, superannuation wrap account and nominee and custody service.

Investor Platform Operator includes the trustee of a superannuation master trust or wrap account, an operator of an IDPS, nominee or custody service or responsible entity of an IDPS-like scheme.

NAV means the value of the assets less the liabilities excluding application money in respect of applications that have not been accepted by the Responsible Entity.

Unit means an undivided share in the beneficial interest in the Fund.

Withdrawal Price means the price at which Units are withdrawn in accordance with the Constitution.