Pie Funds

PIE FUNDS MANAGEMENT SCHEME

Product Disclosure Statement

ISSUED BY
PIE FUNDS MANAGEMENT LIMITED
DATE 19 **SEPTEMBER 2022**

This is a replacement Product Disclosure Statement (PDS), replacing the PDS dated 14 December 2021, for the following Funds:

Australasian Growth

- *Pie Australasian Growth Fund (CLOSED)*
- *Pie Australasian Dividend Growth Fund*
- *Pie Australasian Emerging Companies Fund (CLOSED)*
- *Pie Australasian Growth 2 Fund (CLOSED)*

Global Growth

- *Pie Global Growth Fund*
- *Pie Global Growth 2 Fund*
- *Pie Growth UK & Europe Fund*

Diversified

- *Pie Conservative Fund*

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer at www.disclose-register.companiesoffice.govt.nz. Pie Funds Management Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you to make an investment decision

1 Key information summary

What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Pie Funds Management Limited (**'Pie Funds', 'the Manager', 'we', 'us' or 'our'**) will invest your money and charge you a fee for its services. The returns you receive depend on the investment decisions of Pie Funds and the performance of the investments. The value of those investments may go up or down. The types of investments and the fees you will be charged are described in this document.

What will your money be invested in?

Five funds are offered under this PDS. These investment options are summarised below. This PDS also includes three 'closed' Funds[+]. More information about the investment target and strategy for each investment option is provided in **Section 3 'Description of your investment option(s)'**.

Not all funds under the Scheme are offered in this PDS.

Fund	Description and Objective	Risk Indicator*	Estimated annual fund charges (% of net asset value)**
AUSTRALASIAN GROWTH FUNDS			
Pie Australasian Growth Fund (CLOSED)[+] (Australasian Growth Fund)	Invests predominantly in listed Australasian smaller^ growth companies. **Objective:** Generate capital growth over a period exceeding 5 years.	Potentially Lower Returns / Potentially Higher Returns 1 2 3 4 **5** 6 7 Lower Risk / Higher Risk	1.85%
Pie Australasian Dividend Growth Fund (Dividend Growth Fund)	Invests predominantly in listed Australasian smaller^ and medium^ growth companies paying dividends or that will produce cash-flow for future distributions. **Objective**: Generate income and capital growth over a period exceeding 5 years.	Potentially Lower Returns / Potentially Higher Returns 1 2 3 4 5 **6** 7 Lower Risk / Higher Risk	1.85%
Pie Australasian Emerging Companies Fund (CLOSED)[+] (Emerging Companies Fund)	Invests predominantly in listed Australasian emerging^ companies. **Objective**: Generate capital growth over a period exceeding 5 years.	Potentially Lower Returns / Potentially Higher Returns 1 2 3 4 5 **6** 7 Lower Risk / Higher Risk	1.85%
Pie Australasian Growth 2 Fund (CLOSED)[+] (Australasian Growth 2 Fund)	Invests predominantly in listed Australasian smaller^ and medium ^ companies. **Objective:** Generate capital growth over a period exceeding 5 years.	Potentially Lower Returns / Potentially Higher Returns 1 2 3 4 5 **6** 7 Lower Risk / Higher Risk	1.85%
GLOBAL GROWTH FUNDS			
Pie Global Growth Fund (Global Growth Fund)	Invests predominantly in listed international smaller^ companies, international managed funds and other products issued by Pie Funds. **Objective:** Generate capital growth over a period exceeding 5 years.	Potentially Lower Returns / Potentially Higher Returns 1 2 3 4 **5** 6 7 Lower Risk / Higher Risk	1.63%
Pie Global Growth 2 Fund (Global Growth 2 Fund)	Invests predominantly in listed international large^ companies. **Objective:** Generate capital growth over a period exceeding 5 years.	**** Potentially Lower Returns / Potentially Higher Returns 1 2 3 4 **5** 6 7 Lower Risk / Higher Risk	1.45%

[+] ***What 'CLOSED' means:*** *If a fund is 'closed', no further investments can be made in the fund by existing or new investors, other than Pie Funds' employees or their related persons (as offers under this PDS).*

Fund	Description and Objective	Risk Indicator*	Estimated annual fund charges (% of net asset value)**
GLOBAL GROWTH FUNDS			
Pie Growth UK & Europe Fund (Growth UK & Europe Fund)	Invests predominantly in listed UK & European smaller^ companies. **Objective**: Generate capital growth over a period exceeding 5 years.		1.85%
DIVERSIFIED FUND			
Pie Conservative Fund (Conservative Fund)	Invests predominantly in fixed interest securities and some cash, with an allocation to equities (directly or through other products issued by Pie Funds). **Objective:** Preserve capital (with some growth), which outperforms the market index over a 3-5 year period.***		0.77%

**During times of extreme market volatility, the risk may be greater than indicated, particularly for funds investing in smaller companies which can be more volatile during market sell down. Past performance may not be a reliable indicator for the risk of the Fund.*

After fees and before tax. Inclusive of dividends. Annual fund charges include an estimate of applicable underlying fund charges, if any. See* ***Section 5 'What are the fees?' *for more information on fees.*

****Benchmark Market index information can be found in the Statement of Investment Policy and Objectives ("SIPO"), available at* ***www.piefunds.co.nz/Investor-Documents.***

***** This fund does not have a five-year return history. The risk indicator was prepared using the fund returns since inception and market index returns for the balance of the five-year period (ie from 1 July 2017 to 30 April 2018). Accordingly, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund.*

^ For definitions of 'smaller' 'medium', 'large' and 'emerging' companies, see ***Section 3: 'Description of your investment option(s)'.***

Section 4: 'What are the risks of investing?' *explains the risk indicator and provides information about other risks not included in the risk indicator. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at* ***www.sorted.org.nz/tools/investor-profiler.***

Who manages the Scheme?

Pie Funds manages the Scheme. Please see **Section 7: 'Who is involved?'** for more information.

What are the returns?

Returns on your investment come from changes in the unit price and any income distributions made. We do not intend to make any regular distributions from the Funds except for twice yearly from the Dividend Growth Fund and quarterly from the Conservative Fund. See **Section 2: 'How does this investment work?'** for more information.

How can you get your money out?

Your investment in the Funds is redeemable. However, in certain circumstances we may defer payment or suspend your ability to withdraw. **See Section 2: 'How does this investment work?'** for more information.

Your investment in the Funds can be sold but there is no established market for trading these products, so you may be unable to find a buyer.

How will your investment be taxed?

Each Fund is a portfolio investment entity ('**PIE**') for tax purposes. The amount of tax you pay in respect of a PIE is based on your prescribed investor rate. This can be 0%, 10.5%, 17.5% or 28%. See **Section 6: 'What taxes you will pay?'** for more information.

Where can you find more key information?

Pie Funds is required to publish quarterly updates for each Fund. The updates show the returns, and the total fees charged to investors, during the previous year. The latest fund updates are available at **www.piefunds.co.nz**. We can give you copies of these documents on request.

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2 How does this investment work?

The Funds are offered under a registered managed investment scheme known as the Pie Funds Management Scheme ('**Scheme**'). This is governed by a trust deed ('**Governing Document**'). Each Fund is established as a separate trust within the Scheme.

Each Fund enables you to pool your money with others who have invested in those Funds. Your interests are represented by units conferring an equal interest in a Fund and which are of equal value.

The value of units in each Fund fluctuates according to the changing value of the assets the Fund invests in. The total value of your investment in a Fund at any time is the number of units you hold in that Fund multiplied by the current unit price.

The assets and liabilities of each Fund are the exclusive property/ liabilities of that Fund. The assets of a Fund are not able to meet the liabilities of any other Fund in the Scheme.

Distributions

Apart from the Dividend Growth Fund and Conservative Fund, we do not intend to make any income distributions from the Funds (but retain discretion to do so, including from closed Funds if performance continues to grow the size of assets under management). Any income or capital gains will be included in the unit price.

We intend to make income distributions from the Dividend Growth Fund, declared on or about 30 June and 31 December and the Conservative Fund declared on or about each quarter end. Distributions are paid into your nominated bank account or you can choose to have them reinvested in the relevant Fund, as additional units. Distribution amounts will vary between distribution periods, are not guaranteed and are at our discretion.

A distribution is a percentage of income received from your investment.

Significant features

We have an active investment strategy, key features of which are:

1. Our belief that skilled active investing helps deliver good, long term results.

2. We research investments to determine:

- which types and mix of assets will best meet a fund's objectives without unnecessary risk, given market conditions
- how best to invest in those assets (e.g. directly, through exchange traded funds ('ETFs'), with physical securities or using derivatives)
- which securities to invest in

3. We look for a relatively small number of companies we believe the market has mispriced relative to the companies' outlook.

We pick companies we believe:

- are good quality;
- have qualities not currently recognised by the market; but
- the market will come to recognise, and appropriately value, their quality.

We believe this approach will generate higher returns in the long term but a Fund may experience higher volatility and may underperform the relevant market index or our competitors for a time. It may also mean we may temporarily suspend withdrawals from a Fund in some circumstances.

4. Where we do not have key competencies in areas beneficial to investors, we engage with organisations e.g. research providers, which can provide them.

Benefits

Investing in the Funds offer a range of benefits, including:

- **Active Management:** The Funds are actively managed by an experienced investment team.
- **Access to investments**: The Funds provide exposure to a diversified portfolio of investments.
- **Investment return**: Depending on the Fund, it aims to either preserve and/or grow your capital by accessing the high potential growth of actively managed equities, coupled with the diversifying effects of cash, fixed income, and other asset classes.
- **ESG factors**: Pie Funds integrates ESG factors into its investment process by not directly investing in companies whose principal business includes certain activities (e.g. tobacco or firearms manufacturing).

  We believe competent management of Environmental, Social and Governance ('**ESG**') matters positively contributes to the long-term value of companies. We screen direct investments and, also, integrate ESG considerations within the investment process. Where the Funds invest through external managers, ETFs or derivatives, the screening criteria may not always apply. Full details of how we integrate ESG factors into the investment process and the screening process are available in our ESG Policy which can be found at **www.disclose-register.companiesoffice.govt.nz**.

Making investments

Except for 'closed' Funds, the minimum initial investment amount for each Fund is $25,000. We may change this limit from time to time. After making an initial investment, you can invest any time by making a:

- lump sum payment; or
- regular contribution.

The Australasian Growth Fund, Australasian Growth 2 Fund and Emerging Companies Fund are 'closed' and will not accept investments by either existing or new investors other than employees of Pie Funds[1] . You can decrease the number of units you hold at any time by making a withdrawal.

For all other Funds, you can invest by completing an online application form (**www.piefunds.co.nz**) or call us for more information.

We can vary/waive minimums either generally or for selected investors at our discretion.

We can close Funds to preserve their capacity to generate excess returns.

Withdrawing your investment

You may withdraw all or part of your investment by providing us with a completed withdrawal request in the form required by us ('**Withdrawal Request**') (subject to any deferral or suspension of withdrawals). Withdrawals will be transferred into your nominated bank account on the following dates:

Fund	Withdrawal Date
• Conservative Fund • Global Growth 2 Fund	Up to 5 business days after receipt of Withdrawal Request
• Dividend Growth Fund • Australasian Growth 2 Fund • Global Growth Fund • Growth UK & Europe Fund	10 business days* after receipt of Withdrawal Request
• Australasian Growth Fund	20 business days after receipt of Withdrawal Request
• Emerging Companies Fund	3 months after receipt of Withdrawal Request

We will confirm the Withdrawal Date on receipt of the Withdrawal Request.

**We retain the discretion to increase this to 20 business days in unusual circumstances, including large one-off or multiple withdrawals or during periods of extreme market volatility*

The longer withdrawal periods for some Funds reflect that they invest in smaller companies, and these can be illiquid and harder to sell quickly. This is particularly relevant for the Australasian Growth Fund and Emerging Companies Fund. A longer withdrawal period means we are less likely to have to sell small companies quickly to fund withdrawals (which typically reduces the sale price, disadvantaging investors).

The applicable withdrawal unit price will be calculated using the unit price struck two business days before the Withdrawal Date above, not the day the Withdrawal Request is received by us. The unit withdrawal price is calculated by dividing the net asset value of the Fund by the total units on issue.

Withdrawal Requests can be cancelled at any point up until 3 business days before the Withdrawal Date.

You will generally not be permitted to reduce your investment in the Fund to less than the minimum initial investment amount.

We may, on 30 days' written notice, compulsorily withdraw your units from a Fund if your balance falls below the minimum investment amount of the Fund and pay the proceeds to your nominated bank account. In certain cases, we may withdraw your units if that is necessary for a Fund to maintain its PIE status.

Right to sell units

If the minimum investment amount is met, you may sell or transfer all or any of the units you hold in a Fund. The transfer instrument must be in writing in any common form which we approve and signed by both the transferor (you) and the transferee. We can decline to register a transfer if the withdrawal conditions are not met, if any duties, taxes or other commissions, fees and charges are unpaid or for non- compliance with law.

Suspending withdrawals

We may suspend Withdrawal (and switch) Requests in respect of a Fund

- for a period determined by us if Withdrawal Requests received in a 3 month period relate to more than 5% of the units on issue for the Fund and we consider that it is in the general interests of all investors in the Fund to do so in accordance with the Governing Document (note we could also pay out Withdrawal Requests in instalments in this situation);
- for a period determined by us if Withdrawal Requests received in a 3 month period relate to more than 10% of the units on issue for the Fund (after notifying the Supervisor); or
- for up to 90 days (or such other period determined by us in consultation with the Supervisor) if we determine that the withdrawal is not practicable, would or may be prejudicial to the general interests of investors in the Fund, is not desirable for the protection of the Fund or would threaten the Fund's eligibility for PIE status, and we give a repayment suspension notice to the relevant investors and the Supervisor.

Where Withdrawal Requests are suspended, the withdrawal price payable to investors will be calculated on the day the units are withdrawn. We can vary or waive the minimum withdrawal amounts at any time

[1] *We may allow Pie Funds' employees or their related persons to make new investments in the Funds, or to add to their existing investments under this PDS provided our internal policies are followed. We believe this ensures continued alignment between our staff and investors, and is not likely to undermine the capacity of the Funds to generate excess returns.*

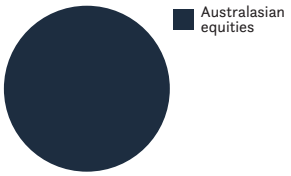
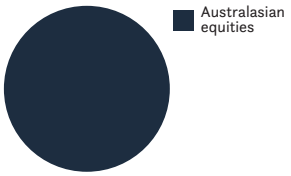
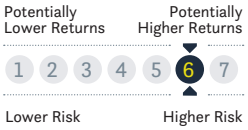
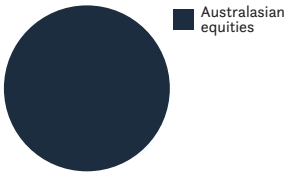
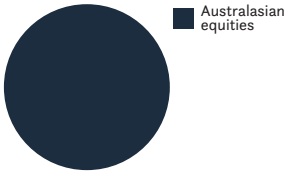
How to switch between Funds

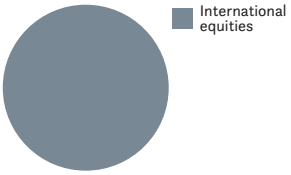
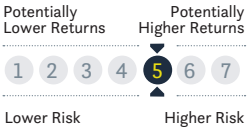
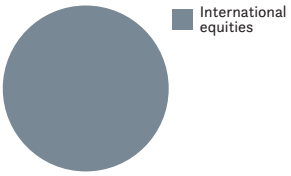
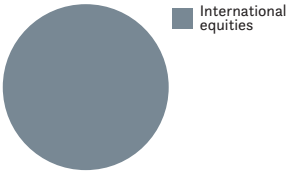
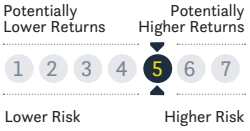
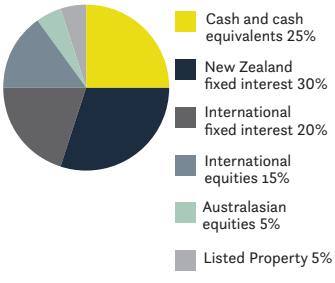
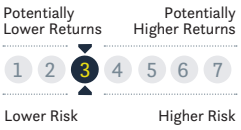
You may switch between Funds (but not switch into a 'closed' Fund) by completing a switch form.

A request to switch will be treated as though it was both a Withdrawal Request and an application for units in the relevant fund you are switching to and we will apply the withdrawal proceeds in payment of the application monies due. We have the discretion to waive or reduce the period for switching.

Switches can be cancelled at any point up until 3 business days before the applicable switch date (effectively, the Withdrawal Date).

3 Description of your investment option(s)

Fund	Investment objective and strategy	Target investment mix*	Risk indicator**	Minimum recommended investment timeframe
AUSTRALASIAN GROWTH FUNDS				
Australasian Growth Fund (Closed)	Capital growth over a period exceeding five years. Investment predominantly in listed Australasian smaller^ companies and may also invest in other financial products such as cash and unlisted equities.			5 YEARS
Dividend Growth Fund	Income and capital growth over a period exceeding five years. Investment predominantly in listed Australasian smaller and medium^ companies that pay dividends or will produce cash-flow available for future distributions and may also invest in other financial products such as cash and unlisted equities.			5 YEARS
Emerging Companies Fund (Closed)	Capital growth over a period exceeding five years. Investment predominantly in listed Australasian emerging^ companies and may also invest in other financial products such as cash and unlisted equities.			5 YEARS
Australasian Growth 2 Fund (Closed)	Capital growth over a period exceeding five years. Investment predominantly in listed Australasian smaller and medium^ companies. It may also invest in other types of financial products such as cash and unlisted equities.			5 YEARS

Fund	Investment objective and strategy	Target investment mix*	Risk indicator**	Minimum recommended investment timeframe
GLOBAL GROWTH FUNDS				
Global Growth Fund	Capital growth over a period exceeding five years. Invests predominantly in listed international smaller^ companies and international managed funds. It may also invest in other types of products such as cash and unlisted equities and other products issued by Pie Funds.			5 YEARS
Global Growth 2 Fund	Capital growth over a period exceeding five years. Investment predominantly in listed international large^ companies. It may also invest in other types of financial products including cash and unlisted equities.		*** 	5 YEARS
Growth UK & Europe Fund	Capital growth over a period exceeding five years. Investment predominantly in listed UK & European smaller^ companies. It may also invest in other types of financial products such as cash and unlisted equities.			5 YEARS
DIVERSIFIED FUNDS				
Conservative Fund	Capital preservation (with some growth) which outperforms the market index over a 3-5 year period. Invests predominantly in fixed interest securities and some cash, with an allocation to equities (directly or through other products issued by Pie Funds). It may also invest in other products such as term deposits and bonds.			3 YEARS

**The investment mix for the growth funds are indicative only as to what is expected to apply over the course of an economic cycle and should be considered general guides only. For the Conservative Fund, the investment mix is a target. We may deploy investment strategies which differ materially from the above targets subject to compliance with the SIPO.*

***During times of extreme market volatility, the risk may be greater than indicated, particularly for funds investing in smaller companies which can be more volatile during market sell down. Past performance may not be a reliable indicator for the risk of the Fund.*

****Global Growth 2 Fund does not have a five-year return history. The risk indicator uses the fund returns since inception and market index returns for the balance of the five-year period. Accordingly, the risk indicator may provide a less reliable indicator of the potential future volatility of the Fund. See the following table for the periods market index returns were used.*

Fund	Period of market returns used (from 1 July 2017 to)
Global Growth 2 Fund	30 April 2018

The relevant indices are in the SIPO.

^Definitions set out below:

Companies	Definition
Smaller, Medium, Large	Companies which have small, medium and large market capitalization (respectively) relative to the exchange on which they are listed.
Emerging	Companies which have (at the time of investment) a market capitalisation of up to $250 million or the equivalent in local currency.

The Scheme's SIPO is established by Pie Funds in consultation with the Supervisor. It contains the investment philosophy, strategies, and objectives for each Fund. Pie Funds may change the SIPO (providing prior written notice to the Supervisor). If we propose to change the SIPO in a manner which materially affects investors, we will give affected investors at least 30 days' prior written notice. The current SIPO and further information about the assets in the Funds can be found in the fund updates at **www.piefunds.co.nz** or at **www.disclose-register.companiesoffice.govt.nz**.

4 What are the risks of investing?

Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator. The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. You can compare funds using the risk indicator.



For the risk indicator for the Funds, see pages 2 and 8.

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at **www.sorted.org. nz/tools/investor-profiler**.

Note that even the lowest category does not mean a risk-free investment, and there are other risks (described under the heading 'Other specific risks') that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years to 30 June 2022. While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for this Fund.

During times of extreme market volatility, the risk may be greater than indicated, particularly for funds investing in smaller companies which can be more volatile during market sell down.

General investment risks

A Fund's value may move up and down and the risk indicator can be affected by

- **Market risk**: The performance of a Fund will be affected by the performance of investment markets generally. The value of investments may go up or down in line with market movements. Markets will be affected by various factors including investor sentiment, political events, inflation, prevailing interest rates, economic and regulatory conditions, and broader events like pandemics, failures of major global financial institutions, changes in technology and environmental events. In adverse market conditions, it is more likely the Fund's value will go down, particularly those Funds with heavy equity concentration.
- **Investment return risk**: Past performance is not a guarantee of future performance. As Pie Funds is an active manager, there is a risk that a Fund may underperform compared with its investment objectives or with the relevant market index
- **Manager risk:** Investment management decisions (such as allocation of a Fund's investments between asset classes, investment sectors and individual investments) may affect a Fund's returns, as will the performance of the businesses underlying the investments.
- **Liquidity risk:** Some investments, particularly those in smaller, emerging and/or unlisted companies may not be easily and quickly converted into cash. This may be due to insufficient availability of buyers, trading suspensions, fund outflows or disruption/falls in the market. This risk is mitigated by having controls on the maximum size of positions, the overall liquidity of the fund relative to its withdrawal period, the maximum number of funds which can invest in smaller illiquid companies and longer withdrawal periods for those funds investing in smaller companies. There is also a risk that you may not be able to withdraw your investment in certain circumstances (see page 6).
- **ESG risk**: A Fund may be affected by environmental, social or governance issues impacting the companies in which we invest e.g. issues arising from environmental impacts of a company's activities. This risk is mitigated (but not eliminated) by us performing thorough due diligence, and by each potential investment opportunity in a company being rigorously analysed before inclusion in a Fund's portfolio.
- **Key personnel**: The departure of any of Pie Funds' key personnel could impact on the performance of a Fund if we are unable to recruit a suitable replacement.
- **Currency risk**: The Funds will have investments in foreign currencies, and as a result returns may be affected by movements between other currencies and the New Zealand dollar. If the NZD appreciates, the value of the foreign currency investment will drop (in NZD terms) which may adversely affect the domestic value of international investments. We actively manage currency exposure, but it is not our intention to 100% hedge the currency. This decision is at our discretion.
- **Portfolio Concentration risk**: As the Funds hold relatively concentrated portfolios, returns of the Funds may be dependent on the performance of individual investments. The concentrated exposure may lead to increased volatility in a Fund's unit price and may affect performance. This strategy differs from many comparable funds therefore there is a risk that these funds will experience significant deviations in performance from their market peers.
- **Short selling risks**: Funds may short sell, including by using derivatives which derive their value from underlying assets. When going short through derivatives, the derivatives will simulate the sale of an underlying security that a seller has borrowed, to be repurchased in the future, with the expectation this is done for a lower price than initially sold for. As the theoretical upper limit on a share price is unlimited, the potential loss and negative impact on returns is also unlimited. If the shares are borrowed to facilitate short selling, the lender may request return of the shares which gives rise to the possibility these shares will have to be bought at a time not of our choosing, potentially resulting in losses.

Other specific risks

In addition to the general risks above, the following specific risks apply to particular Funds:

- **Interest rate risks:** particularly relevant for the Conservative Fund, this is the risk that the value of an investment changes due to changes in interest rates. The value of fixed interest securities can fluctuate significantly with relatively small changes in interest rates. If there is a rising interest rate environment, this may negatively impact your investment but only to the extent the Fund holds impacted products eg Bonds with a fixed interest coupon rate when interest rates are rising.
- **Fund of fund risks**: The Funds may invest in other Pie Funds products and externally managed funds including Exchange Traded Funds. Investments in the Funds may be affected by changes in an underlying fund or business environment. There may be a risk of an underlying fund having its assets frozen for a period or the manager suspending withdrawals. This may impact on your ability to withdraw or switch.

For more information about risks, please refer to the Other Material Information document, available at ***www.disclose-register.companiesoffice.govt.nz.***

5 What are the fees?

You will be charged fees for investing in the Funds. Fees are deducted from your investment and will reduce your returns. If Pie Funds invests in other funds, those funds may also charge fees. The fees you pay will be charged in two ways:

- Regular charges (e.g. annual fund charges). Small differences in these fees can have a big impact on your investment over the long term; and
- One off fees (e.g. individual action fees) (currently none).

Total estimated annual fund charges

Fund	Management and administration charges (% of net asset value)*
Australasian Growth Funds	
Australasian Growth Fund	1.85%
Dividend Growth Fund	1.85%
Emerging Companies Fund	1.85%
Australasian Growth 2 Fund	1.85%
Global Growth Funds	
Global Growth Fund	1.63%
Global Growth 2 Fund	1.45%
Growth UK & Europe Fund	1.85%
Diversified Fund	
Conservative Fund	0.77%

**This includes an estimate of underlying fund charges, where applicable.*

Actual fund charges will depend on the actual investment mix of the Funds and this may vary from the estimates. Actual charges will be available in the latest fund updates

Fees are exclusive of GST (i.e. GST will be added, where applicable).

Fee types

Management and administration charges
The management and administration charges cover:

- Normal Fund operating costs such as investment management, supervisor, custodial, accounting, audit and legal costs and are paid monthly. These costs are deducted from, and reflected in, the unit price of the relevant Fund; and
- Estimated underlying fund charges, where applicable. If we are unable to determine the underlying external fund charges, these have been estimated from recent financial statements based on the actual costs as a percentage of average net asset value that were charged for the fund's previous financial year.

Management and administration charges do not include transaction costs (these are the actual costs incurred in the buying and selling of assets in a Fund, such as brokerage). These are separate costs for each Fund in addition to the management and administration charge.

Management and administration charges are calculated and accrued daily and deducted from each Fund's assets monthly in arrears.

Performance-based fee
No performance fees are currently charged.

Individual action fee
No individual action fees are currently charged (e.g. entry, exit or switch fees).

Example of how fees apply to investors

Lucy invests NZ$10,000 in the Australasian Growth Fund.

She is charged management and administration fees, which work out to be about NZ$185p.a. (1.85% of NZ$10,000). These fees might be more or less if her account balance has increased or decreased over the year.

Estimated total fees for the first year
Fund charges: NZ$185

See the latest fund update for an example of the actual returns and fees investors were charged over the past year.

This example applies only to the Australasian Growth Fund. If you are considering investing in other Funds or investment options in the Scheme, this example may not be representative of the actual fees you may be charged.

The fees can be changed

The fees may change, or new fees imposed provided we give you 3 months' notice. We must publish a fund update for each Fund showing the actual fees charged during the most recent year. Fund updates, including past updates, are available at **www.piefunds.co.nz.**

6 What taxes will you pay?

Each Fund is a portfolio investment entity ('PIE'). The amount of tax you pay is based on your prescribed investor rate ('PIR'). To determine your PIR, go to **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 the 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.

You must provide us with your IRD number when you invest. Usually, failure to do so within six weeks means we will need to close your account.

We may be notified by Inland Revenue to update your PIR if they believe it is incorrect. We are required to apply this updated PIR (subject to you subsequently notifying us of a different PIR). Contact Inland Revenue for more information.

Refer to the Other Material Information document at **www.disclose-register.companiesoffice.govt.nz** for further information on the tax consequences of your investment.

7 Who is involved?

About the Manager

Pie Funds is a fund manager established in 2007.

Pie Funds

Level 1/1 Byron Avenue
PO Box 331079
Takapuna Auckland 0622
Telephone: +649 4861701
Email: clients@piefunds.co.nz

Who else is involved?

	Name	Role
Supervisor	Trustees Executors Limited	Responsible for supervising the Funds and us as Manager.
Custodian	MMC Limited	Appointed by the Supervisor to hold assets of the Funds on behalf of investors.
Administration Manager	MMC Limited	Provides Scheme administration functions including unit pricing, fund accounting and registry functions.

8 How to complain

Pie Funds

In the first instance, please direct complaints to:

Level 1/1 Byron Avenue, Takapuna, Auckland 0622

Attention: Client Services Manager

Telephone: +649 4861701

Email: clients@piefunds.co.nz

If we are unable to resolve your complaint, you may contact the Supervisor:

Trustees Executors Limited

Level 11/51 Shortland Street,

PO Box 4197 Auckland 1010

T:0800 878783

Email: cts@trustees.co.nz

Attention: Corporate Trustee Services

Pie Funds and the Supervisor are members of an independent, approved dispute resolution scheme run by Financial Services Complaints Limited (FSCL).

If your complaint has not been resolved, you may refer it to FSCL. FSCL will not charge you a fee to investigate or resolve a complaint.

FSCL

Level 4/101 Lambton Quay

PO Box 5967

Wellington 6140

T:0800 347257

Email: complaints@fscl.org.nz

9 Where you can find more information

Further information relating to the Scheme and the Funds is available on:

- our website: www.piefunds.co.nz; and
- the offer register and scheme register (e.g. financial statements) at **www.disclose-register.companiesoffice.govt.nz.**

You are entitled to a copy of the information on the offer register or scheme register on request to the Registrar of Financial Service Providers. You can also obtain a copy of any of these documents on request and free of charge from Pie Funds at **www.piefunds.co.nz.**

10 How to apply

To apply, fill in the online application form at **www.piefunds.co.nz** or call us on **+649 4861701.**

The Australasian Growth Fund, Australasian Growth 2 Fund and Emerging Companies Fund are 'closed' and will not accept any new applications, except for applications from Pie Funds' employees or their related persons.

We may, in our absolute discretion, accept or reject any application or postpone the processing of the application pending receipt of cleared funds. We are not required to give reasons. Application monies received for rejected applications will be refunded as soon as practicable, without interest.