



# Airwallex Yield Liquidity Fund USD Unit Class

ARSN 678 845 657

## Product Disclosure Statement 22 October 2025

### Information for New Zealand Investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

### Currency Exchange Risk

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

### Dispute resolution process

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

### Distribution Language

New Zealand investors can only have their distribution directly credited if an AUD Australian domiciled bank account is provided, otherwise it must be reinvested in accordance with the Fund's distribution reinvestment plan.

Refer to the Additional Information Document for the Fund for additional terms of the distribution reinvestment plan.

### IMPORTANT INFORMATION

This Product Disclosure Statement (**PDS**) is a summary of significant information about the USD Unit Class of the Airwallex Yield Liquidity Fund ARSN 678 845 657 (**Airwallex Yield Liquidity Fund** or **Fund**) and is issued by K2 Asset Management Ltd (ABN 95 085 445 094, AFSL 244393) (**K2**, the **Responsible Entity**, **we** or **us**) as the Responsible Entity of the Airwallex Yield Liquidity Fund. This PDS refers to important information in the Additional Information Document (**AID**), and in the prospectus of the JP Morgan Liquidity Funds (**Underlying Fund**) (as amended or replaced from time to time) (**Prospectus**), which are incorporated by reference into, and forms part of, this PDS. This PDS and the AID are available by contacting the Responsible Entity or the Investment Manager. If you have received this PDS electronically, the Responsible Entity or the Investment Manager will provide a paper copy free of charge on request. The Prospectus is available in section 7 of the AID.

The Airwallex Yield Liquidity Fund currently has two classes:

1. USD Unit Class; and
2. AUD Unit Class.

This PDS is for the USD Unit Class and any references to the 'Fund' in this document will be for the part of the Airwallex Yield Liquidity Fund referable to the USD Unit Class.

You should consider the information in this PDS in its entirety (including the AID and the parts of the Prospectus specified in this PDS) and obtain financial advice tailored to your personal circumstances before making a decision about the USD Class Units. The information in this PDS is general information only, is not financial product advice and does not take account of your objectives, personal financial situation or needs.

The USD Class Units are only available via the Airwallex Platform. The Airwallex Platform does not form part of the Fund. The Airwallex Platform has its own separate product disclosure statement, **which is not incorporated by reference into, and otherwise does not form part of, this PDS**. You may enter into a separate agreement with Airwallex to access your funds early as set out in Airwallex's separate terms and conditions.

Information in this PDS may change from time to time. Where a change is not materially adverse to investors, it may be updated via an in-app notification and at [www.airwallex.com/au/terms](http://www.airwallex.com/au/terms). You can also ask K2 or the Investment Manager to provide a digital copy of any information, free of charge, at [support@airwallex.com](mailto:support@airwallex.com).

The Airwallex Yield Liquidity Fund is a registered managed investment scheme and the offer of USD Class Units under this PDS is open to retail and wholesale investors who have received this PDS. This PDS does not constitute an offer of interests in any jurisdiction other than Australia. Investors who are not Australian residents for income tax purposes should consult with a local tax expert as the tax contents of this PDS are not applicable for foreign investors.

### Target Market

The USD Class Units are likely to be appropriate for an existing Airwallex customer seeking income denominated in US dollars where the customer has a short-term investment timeframe, low risk/return profile, and needs access to capital within 5 Business Days. K2 Asset Management Ltd has issued a target market determination which, among other things, describes the class of consumers for whom this product is likely to be consistent with their likely objectives, financial situation and needs. The TMD for this product is available at [www.airwallex.com/au/terms](http://www.airwallex.com/au/terms) or by contacting the Responsible Entity or Investment Manager.

K2 is not a bank and an investment in the Fund is not a bank account. Neither K2, the Investment Manager, Artega nor any other person guarantees the performance of the Fund, the repayment of capital from the Fund or any particular rate of return.

# 1. About K2 & the main service providers

## Investment manager

Airwallex Capital Pty Ltd (ACN 661 618 819, AFSL 549026) (**Investment Manager**), a related party of Airwallex Pty Ltd (ABN 37 609 653 312) (**Airwallex**) has been appointed by K2 as investment manager of the Fund to undertake certain services including the day-to-day management of the Fund and management of its portfolio. Airwallex, founded in Melbourne in 2015, is an existing provider of financial services in Australia. Both the Investment Manager and Airwallex are wholly owned subsidiaries of Airwallex (Cayman) Limited (Registration No. 307718). The Investment Manager's responsibilities and obligations as the Fund's investment manager are to manage the Fund's investments in accordance with the mandate of the Fund as set out in sections 2 and 5 of this PDS. To do so, the Investment Manager will be leveraging the expertise of the Airwallex Group in execution of payment flows and reconciliation processes enabled by the Airwallex Group's proprietary Wallet and payments technology, in respect of which the Investment Manager's affiliates may charge you separate fees at their discretion. This includes any fees charged by Airwallex for making your funds available to you early. The Investment Manager will also undertake investor verification on behalf of the Responsible Entity in order to comply with legal obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).

## Administrator & Custodian

K2 has appointed Artega Investment Administration Pty Limited (ABN 31 661 042 093) (**Artega**) as the Fund's administrator and custodian. Artega is an Australian business based in Sydney and is subject to ASIC regulation. Artega has been appointed by K2 to hold the Fund's assets and may also provide other services (including service relating to trade and transaction settlement, corporate action reporting and administration, proxy voting, income and distribution processing and cash management). As is standard practice for global investment dealings, Artega engages third party sub-custodians around the world to transact and hold assets for the Fund. Artega in its capacity as the administrator of the Fund will be calculating the NAV and unit price for the USD Class Units on each Valuation Day, preparing unaudited financial statements for the Fund and providing certain other administrative services. Artega's obligations in relation to its administrator role is limited to the provision of services to K2 and has not undertaken any obligations to unitholders as administrator.

## Responsible Entity

K2 Asset Management Ltd (ABN 95 085 445 094, AFSL 244393) (**Responsible Entity**), a wholly-owned subsidiary of K2 Asset Management Holdings Ltd (ABN 59 124 636 782), which is a public company listed on the Australian Securities Exchange (ASX: KAM), is the Responsible Entity of the Fund and the issuer of units in the Fund. K2 was established in Melbourne in 1999 and specialises in managed funds for retail, wholesale and institutional investors. The responsibilities and obligations as the Fund's Responsible Entity is governed by the Fund's constitution (**Constitution**), the Corporations Act 2001 (Cth) (**Corporations Act**) and other relevant laws. As Responsible Entity, K2 oversees the operation and management of the Fund and is required to act in the best interests of investors.

## Unit Registry

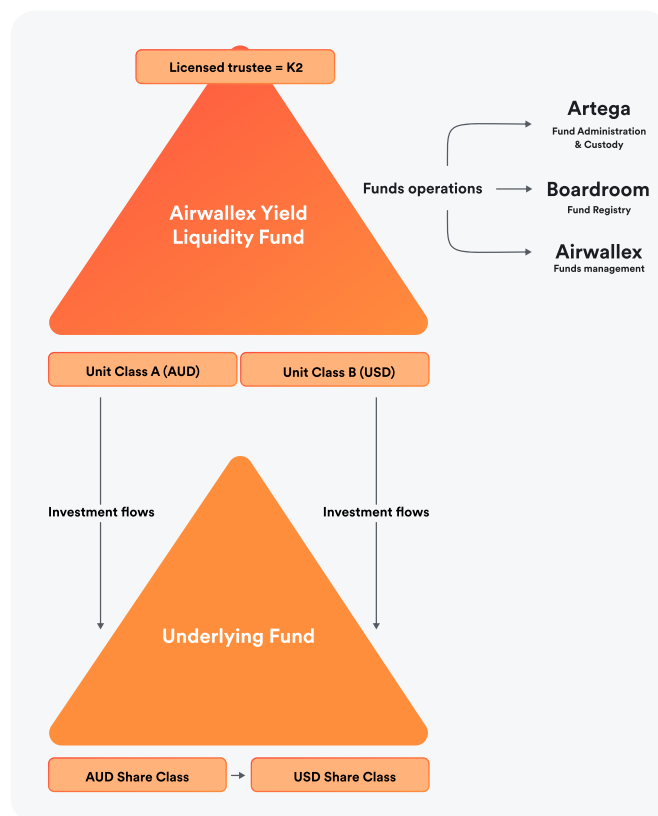
K2 has appointed Boardroom Pty Limited (ABN 14 003 209 836) (**Boardroom** or **Unit Registry**) based in Sydney to provide unit registry services to the Fund. K2 and Boardroom have entered into an agreement that sets out Boardroom's responsibilities, which include receiving and processing application money and withdrawal payments; maintaining the Fund's register of unitholders; preparing annual investor reporting and statements for the Fund in accordance with legislation; and providing certain other administrative services.

# 2. How the Airwallex Yield Liquidity Fund works

## A unit trust and a managed investment scheme

The Airwallex Yield Liquidity Fund is a managed investment scheme that is structured as an Australian unit trust and which is registered with the Australian Securities and Investments Commission under the Corporations Act. In a unit trust structure, when you invest your money, it is pooled with other investor funds. Each USD Class Unit represents an equal share in the net assets of the Fund, however, no investor in USD Class Units is entitled to any specific (or part of an) asset of the Fund. The rights of unitholders are set out in the Constitution.

## Investment structure



## Investment strategy

The Fund will invest substantially all of its assets into the JPM USD Liquidity LVNAV (Distr.) Capital share class (**Sub Fund**) of the J.P. Morgan Liquidity Fund (**Underlying Fund**) which will in turn invest in short-term USD denominated debt securities, deposits with credit institutions and Reverse Repurchase Agreements. By investing substantially all of the Fund into the Sub Fund of the Underlying Fund, the Investment Manager leverages off the JP Morgan investment analysis and research to identify attractive opportunities.

The Sub Fund may have exposure to investments with zero or negative yields in adverse market conditions.

The weighted average maturity of the Sub Fund's investments will not exceed 60 days and the initial or remaining maturity of each Debt Security will not exceed 397 days at the time of purchase.

Debt Securities with a long-term rating will be rated at least "A" and Debt Securities with a short-term rating will be rated at least "A-1" by Standard & Poor's or otherwise similarly rated by another independent rating agency. The Sub Fund may also invest in unrated Debt Securities of comparable credit quality to those specified above.

Selection of the Sub Fund and the Underlying Fund was primarily based on its track record of maintaining stable NAV funds, meaning the Underlying Fund is managed with the goal of a single unit in the fund maintaining a stable value of \$1.00, the experience of the investment teams, and their investment strategies. The Fund will initially invest substantially all of its assets into the Sub Fund of the Underlying Fund. A copy of the Prospectus of the Underlying Fund can be found in the AID. The Underlying Fund is comprised of open-ended investment companies organised under the laws of Luxembourg. Should the investments of the Fund expand beyond the Underlying Fund, investors will be notified.

## J.P. Morgan Liquidity Fund

The Underlying Fund is a short-dated money market fund, with each sub-fund (including the Sub Fund) aiming to maintain a AAA rating (or equivalent) assigned by at least one accredited rating agency. The Sub Fund in which the Fund invests, is a liquid sub-fund that actively invest in debt securities, deposits with credit institutions, Reverse Repurchase Agreements, and other short-dated financial products to meet its investment objective of maintaining investors' principal capital, whilst providing a return in line with competitive money market instruments. The objective of the Underlying Fund is to achieve a return in USD in line with prevailing money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity. The Prospectus of the Underlying Fund can be found in section 7 of the AID.

## Application

You can make an initial or additional application for units by using the online application form provided by the Investment Manager at [www.airwallex.com](http://www.airwallex.com). The minimum initial investment in the Airwallex Yield Liquidity Fund is the USD equivalent of A\$10,000 at the time of application, and it can be spread across unit classes.

Investors should note that the price of the units will vary as the market value of the Fund's investments changes.

## Access to investment

You can usually access your investment within five Business Days from the date you redeem as long as you redeem by 12pm on that day. You may enter into a separate agreement with Airwallex to access the proceeds of your withdrawal early (including for a fee). Exceptional circumstances may arise where access to your investment may be extended to eight Business Days or the ability to access your investment is restricted and you may have to wait a period of time before you are able to redeem. This may occur, for example, if US debt and/or equity markets suspend trading or if the Airwallex Yield Liquidity Fund becomes illiquid. Additional delays may occur if you redeem shortly after the end of the month while distributions are being finalised.

## Distributions

The Fund may pay distributions shortly after the last business day of each month. Distributions can be made more frequently at K2's discretion. Distributions are calculated based on the Fund's net income at the end of the distribution period divided by the number of USD Class Units on issue. All distributions will automatically be reinvested into new USD Class Units.

A distribution of net income generally forms part of a unitholder's assessable income, and you will be liable to pay tax on that income. At the time of distribution, the value of your USD Class Units will be reduced by the distribution amount.

## Additional information incorporated by Reference

You should read the important information about acquiring and disposing of interests in the Fund before making a decision. Go to section 1 of the AID. The material relating to acquiring and disposing of interests may change between the time when you read this PDS and the day when you acquire the product.

In addition, you should read the important information about the investment strategy of the Underlying Fund before making a decision. Go to Appendices III and V of the Prospectus in section 7 of the AID.

The material relating to: (a) acquiring and disposing of interests; and (b) the Underlying Fund's investment strategy may change between the time when you read this PDS and the day when you acquire the product.

# 3. Benefits of investing in the Airwallex Yield Liquidity Fund

**The key features and benefits of an investment in the Fund include:**

## Integrated experience

You are provided with seamless access to the Fund through your account on the Airwallex Platform.

## Flexibility

The Fund initially invests in the Underlying Fund which provides exposure to a diverse range of currencies and strategies.

## Exposure to the underlying fund

Through your investment in the Fund, you have access to the Underlying Fund on terms which may not have otherwise been available to you if investing in your personal capacity. You benefit from the skill and expertise of the Investment Manager and the managers of the Underlying Fund. JP Morgan brings with them their own investment style while adhering to the Underlying Fund's portfolio rules and guidelines.

## Liquidity

While not as liquid (or secure) as a bank deposit, you can generally add or reduce your investment on a daily basis. Applications and redemptions may take up to five business days to be fully processed.

## USD denominated

The USD Unit Class provides investment exposure in US dollars.

## Client service

You will be provided with regular statements of your investment and updates on the performance of the Fund and current market conditions. With the exception of maintenance periods, you will also be able to track your investment at all times through the Airwallex Platform at [www.airwallex.com](http://www.airwallex.com).



## Exclusivity

The offer of USD Class Units is only available to existing customers of the Airwallex Group. Being an existing customer of the Airwallex Group is a necessary but insufficient condition of being admitted into the Fund.

### Additional information incorporated by Reference

You should read the important information about benefits and features of the Fund before making a decision. Go to sections 1 to 6 of the AID. The material relating to acquiring and disposing of interests may change between the time when you read this PDS and the day when you acquire the product.

In addition, you should read the important information about the investment strategy of the Underlying Fund, and the track record of its manager, JPMorgan Asset Management (Europe) S.a.r.l. before making a decision. Go to Appendices III and V of the Prospectus (available in section 7 of the AID).

The material relating to: (a) benefits and features; and (b) the Underlying Fund's investment strategy and its manager's track record may change between the time when you read this PDS and the day when you acquire the product.

## 4. Risks of managed Investment schemes

### All investments carry risk

It is important to be aware that all investments carry risk. Different strategies for investing may carry different levels of risk, depending on the circumstances of the investing and the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. **Significantly, an investment in a managed investment scheme is vastly different from a bank deposit.** When considering any investment in a managed investment scheme, it is important that you understand:

- the value of investments will vary;
- the level of returns will vary, and future returns may differ from past returns;
- returns are not guaranteed, you may lose some or all of your money and past performance is not necessarily indicative of future performance;
- unlike a bank deposit, there is a risk of capital loss;
- laws affecting registered managed investment schemes may change in the future; and
- the appropriate level of risk for each investor will vary depending on a range of factors, including age; investment timeframes; where other parts of the person's wealth are invested; and the investor's risk tolerance.

Before making an investment in the Fund. You should consider if it is appropriate for your individual circumstances and if necessary, seek professional advice.

### Summary of significant risks of the fund

**The significant risks of the AUD Unit Class of the Fund are summarised below:**

**Underlying Fund specific risks:** since the Fund predominantly invests in the Underlying Fund, the risks linked to the Underlying Fund affect the value of your investment in the Fund. The Underlying Fund invests in riskier assets than bank deposits. The Underlying Fund may also have exposure to investments with zero or negative yields in adverse market conditions. While the Underlying Fund aims to maintain a "AAA" rating or equivalent from at least one reputable rating agency, there remains the risk that the Underlying Fund may not achieve its objective in adverse market conditions.

**Underlying Fund portfolio management risk:** There is a risk that the investment techniques and risk analysis employed by the Underlying Fund managers will not produce the desired results. Additionally, the Fund could be adversely affected by material changes to the resources and skills of the Underlying Fund manager's portfolio management team. Such risks include:

- political and regulatory risk, being risk that changes in the political environment, government policies, taxation, and other laws and regulations of countries in which an Underlying Fund has invested adversely affect those investments;
- liquidity risk, being the risk that the Underlying Fund may invest in assets which may be difficult or impossible to sell at the time and prices that would normally prevail in the market, which could cause the value of the Units to decrease or adversely affect the Fund's liquidity; and
- reverse repurchase agreement (Reverse Repo) risk, being the risk that the Underlying Fund is likely to invest in Reverse Repos that fluctuate between 0-50% of the total investments, depending on the extent of daily and weekly maturing assets, overall liquidity supply, the return of Reverse Repos and longer dated debt securities and investor flows in and out of the Underlying Fund. In the event of the failure of the counterparty to a Reverse Repo, there is the risk that the value of the collateral received may be less than the cash placed out which may be due to factors including inaccurate pricing of collateral, adverse market conditions, deterioration in the credit rating of the issuer of the collateral or the illiquidity of the market in which the collateral is traded. The Underlying Fund may invest up to 100% into Reverse Repos in exceptional circumstances, including without limitation, a technical default in short-term debt markets, significant rate increases or the significant deterioration of an issuer's credit risk.

**Interest rate risk:** the risks of changes in the value of the Underlying Fund's investments arising from changes in interest rates. Interest rate increases will generally lower the value of the Underlying Fund's investments and interest rate decreases will generally increase the value of the Underlying Fund's investments.

**Credit risk:** the risk of changes in the credit quality of the issuers of the securities held by the Underlying Fund. Decreases in credit quality of an issuer may lead to price volatility and affect the liquidity of the security, which makes it difficult for the Underlying Fund to sell the security.

**Market risk:** changes in regulatory and economic policy, political events, technology, economic cycles, investor sentiment, environmental and social climate can all impact financial markets, which could affect the value of your investment in the Fund.

**Currency risk:** the risk of currency markets being volatile and being subject to a range of influences could affect the value of your investment in the Fund. Currency risk occurs where the underlying assets of the Fund are denominated in a currency other than Australian dollars. Neither the Fund nor any Underlying Fund hedges Australian dollar currency risk associated with investments denominated in a foreign currency. Currency movements relative to the Australian dollar can cause changes in the value of your investments.

**Concentration risk:** as the Fund initially will invest substantially all of its assets in the Underlying Fund, should the value of the Underlying Fund decline, the value of your investments in the Fund will follow suit. In addition, the benefits and risks of the Fund reflect those of the sub-funds of the Underlying Fund. These risks are set out in more detail in the Prospectus.

**Foreign investment and exchange risk:** the Underlying Fund is a foreign investment that carries with it the risks of investing in a foreign country. Foreign investments can provide diversification in certain contexts, but may also come with price volatility and liquidity issues. There may be instances when the reference currency of the Underlying Fund does not correspond to USD, this means that the Fund may have exposure to foreign exchange risk. There is the potential that the Fund has indirect exposure to adverse movements in exchange rates that reduce the value of the US dollar and therefore the value of the units in the USD Unit Class.

**Operational risk:** the risk that the operational processes of K2, the Investment Manager, Artega, Boardroom or any other service provider to the Fund malfunction or fail could affect the value of your investment in the Fund. K2, the Investment Manager, Artega and Boardroom have implemented robust policies and procedures as a preventative measure to mitigate this risk as much as possible.

**Technology risk:** the risks associated with investing in a digital investment product, such as the risk of hardware malfunctions or software or coding errors occurring, could affect the value of your investment in the Fund. Technology risks may result in, for example: (i) a transaction request (such as a withdrawal request) you submit not being received (and therefore not being processed); or (ii) your balance, transaction history or other information in relation to your investment in the Fund not being presented accurately on the investor portal.

**Counterparty & broker credit risk:** a counterparty (including the custodians and administrators of either the Fund or the Underlying Fund) may default on their contractual obligations, which could affect the value of your investment in the Fund. This includes Reverse Repurchase Agreements, which form part of the assets of the Underlying Fund. This risk is set out in more detail in the AID and the Prospectus.

**Regulatory & tax risk:** Changes in the legal or regulatory environment, taxation or other relevant laws (including laws affecting registered managed investment schemes), or interpretation or administration of those laws could have adverse implications on investments, which could affect the value of your investment in the Fund.

**Short-form PDS risk:** This PDS is restricted by law to 8 pages. Before investing in the Fund, you should review the more detailed information in the AID and the parts of the Prospectus specified in this PDS.

### Additional information incorporated by Reference

You should read the important information about risks of the Fund before making a decision. The material relating to acquiring and disposing of interests may change between the time when you read this PDS and the day when you acquire the product. In addition, you should read the important information about the risks of the Underlying Fund before making a decision. Go to Appendix V (Risk Factors) of the Prospectus (available in section 7 of the AID).

The material relating to the risks relating to an investment in the Fund and the Underlying Fund may change between the time when you read this PDS and the day when you acquire the product.

## 5. How we invest your money

### Investment objective

The Fund aims to preserve principal capital, whilst providing investors with a liquid investment, with returns competitive to comparable money market funds in the currency of the respective share class.

### Suggested minimum investment timeframe

At least one month.

### Description of the fund & its assets

The Fund's portfolio comprises units in the Underlying Fund, through which investors gain exposure to JP Morgan's underlying investments in short-term debt securities, deposits with credit institutions, and Reverse Repurchase Agreements.

### Investment strategy

The Fund will invest in the Sub Fund of the Underlying Fund which will in turn invest in short-term USD denominated debt securities, deposits with credit institutions and Reverse Repurchase Agreements. By investing substantially all of the Fund into the Sub Fund of the Underlying Fund Airwallex leverages off the JP Morgan investment analysis and research to identify attractive opportunities.

The Sub Fund may have exposure to investments with zero or negative yields in adverse market conditions.

The weighted average maturity of the Sub Fund's investments will not exceed 60 days and the initial or remaining maturity of each Debt Security will not exceed 397 days at the time of purchase.

Debt Securities with a long-term rating will be rated at least "A" and Debt Securities with a short-term rating will be rated at least "A-1" by Standard & Poor's or otherwise similarly rated by another independent rating agency. The Sub Fund may also invest in unrated Debt Securities of comparable credit quality to those specified above.

### Labour standards and environmental, social, and ethical considerations

The Investment Manager's assessment of economic and valuation criteria for selecting, retaining, or realizing an investment in the Underlying Fund could be informed by a number of factors which might include labour standards, ESG considerations or ethical considerations. The Investment Manager may still cause the Fund to invest in the Underlying Fund with a higher ESG risk profile where it believes the potential return outweighs the risks identified.

### Additional information incorporated by Reference

You should read the important information about how we invest your money before making a decision. Go to section 2 of the AID. The material relating to acquiring and disposing of interests may change between the time when you read this PDS and the day when you acquire the product. In addition, you should read the important information about the investment strategy of the Underlying Fund before making a decision. Go to Appendices III and V of the Prospectus (available in section 7 of the AID).

The material relating to how we invest your money may change between the time when you read this PDS and the day when you acquire the product.

## 6. Fees and 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 account 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](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

### Fee and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be paid directly from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole. Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

## Fee and costs summary

| Type of fee or cost <sup>1</sup>                                                                               | Amount <sup>2</sup>                                                                                                                                                                                                     | How and when paid                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ongoing annual fees and costs</b>                                                                           |                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Management fees and costs<sup>2</sup></b> The fees and costs for managing your investment                   | 0.60% p.a. of the Fund's net asset value<br><br><b>Comprising:</b><br><br><b>Management fee:</b> 0.50% of the Fund's net asset value<br><br>PLUS<br><br><b>Indirect costs:</b> 0.10% p.a. of the Fund's net asset value | The management fee is calculated daily and paid on a monthly basis from the Fund's assets. <sup>3</sup> Management fees and costs include indirect costs of the Underlying Fund. Indirect costs are generally any amount that will reduce the Fund's returns that are paid from the assets of the Fund or the Underlying Fund. These costs are not an additional fee paid to us, are not charged separately to your investment and are reflected in the unit price. Indirect costs are based on information available as at the date of the PDS for this Fund and generally reflects the actual costs incurred for the previous financial year, but may include reasonable estimates. Indirect costs are paid from the assets of the Underlying Fund as and when they are incurred. |
| <b>Performance fees</b><br>Amounts deducted from your investment in relation to the performance of the product | Nil                                                                                                                                                                                                                     | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Transaction costs<sup>4</sup></b><br>The costs incurred by the scheme when buying or selling assets         | Nil                                                                                                                                                                                                                     | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

## Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)

|                                                                                                                             |     |     |
|-----------------------------------------------------------------------------------------------------------------------------|-----|-----|
| <b>Establishment fee</b><br>The fee to open your investment                                                                 | Nil | Nil |
| <b>Contribution fee</b><br>The fee on each amount contributed to your investment                                            | Nil | Nil |
| <b>Buy-sell spread</b><br>An amount deducted from your investment representing costs incurred in transactions by the scheme | Nil | Nil |
| <b>Withdrawal fee<sup>6</sup></b><br>The fee on each amount you take out of your investment                                 | Nil | Nil |

## Member activity related fees and costs (fees for services or when your money moves in or out of the scheme) cont.

|                                                                 |                |                |
|-----------------------------------------------------------------|----------------|----------------|
| <b>Exit fee</b><br>The fee to close your investment             | Nil            | Nil            |
| <b>Switching fee</b><br>The fee for changing investment options | Not applicable | Not applicable |

<sup>1</sup> Unless otherwise stated, all fees and costs are quoted inclusive of GST and net of any input tax credits (ITCs) or reduced input tax credits (RITCs) that are expected to be available to the Fund and are shown without any other adjustment in relation to any tax deduction available to the Fund..

<sup>2</sup> The costs component of management fees and costs reflects costs that the Responsible Entity reasonably estimates, as at the date of this PDS, will apply for the current financial year (adjusted to reflect a 12-month period) as a percentage of the Net Asset Value of the Airwallex Yield Liquidity Fund attributed to the USD Unit Class. The amount of 0.60% of the Net Asset Value of the Fund attributed to the USD Unit Class refers to the management fee charged for managing the USD Unit Class of the Fund and making it available to investors, as well as indirect costs of the USD Unit Class of the Fund, which reflects the Responsible Entity's reasonable estimate of typical fees charged by issuers of units in the Sub Fund for the current financial year. The amount of the management fee can be negotiated, rebated or waived in whole or in part for certain investors such as wholesale clients, as defined in the Corporations Act, depending on factors such as the amount invested. For more information, please see the 'Additional explanation of fees and costs' section in the AID.

<sup>3</sup> In addition to management fees and indirect costs, management fees and costs could include other fees and costs, such as recoverable expenses but none are anticipated at this stage. For more information on management fees and costs, please see section 4 of the AID.

<sup>4</sup> The transaction costs are based on the Responsible Entity's reasonable estimate of the transaction costs for the current financial year for the Airwallex Yield Liquidity Fund attributed to the USD Unit Class and each interposed entity (adjusted to reflect a 12-month period).

<sup>5</sup> 'Nil', in respect of a fee, means there is an entitlement to that fee under the Constitution but the Responsible Entity has elected not to charge it. 'Not applicable' means there is no entitlement for the Responsible Entity to charge this fee under the Constitution.

<sup>6</sup> This withdrawal fee is not inclusive of any fees separately charged by Airwallex to provide early access to the withdrawal proceeds.

## Example of annual fees and costs for the fund

This table gives an example of how the ongoing annual fees and costs in the managed investment scheme can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

### Example – Airwallex Yield Liquidity Fund – USD Unit Class<sup>1</sup>

Balance of \$50,000 with a contribution of \$5,000 during year

| Contribution fees                                       | Nil <sup>2</sup>                                                                                                                                                                                                        | For every additional \$5,000 you put in, you will be charged \$0                                                                                                                                                                                                                                 |
|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PLUS</b><br>Management fees and costs                | 0.60% p.a. of the Fund's net asset value<br><br><b>Comprising:</b><br><br><b>Management fee:</b> 0.50% of the Fund's net asset value<br><br>PLUS<br><br><b>Indirect costs:</b> 0.10% p.a. of the Fund's net asset value | <b>And</b> , for every \$50,000 you have in the Airwallex Yield Liquidity Fund you will be charged or have deducted from your investment <b>\$300</b> each year                                                                                                                                  |
| <b>PLUS</b><br>Performance fees                         | <b>Nil<sup>2</sup></b>                                                                                                                                                                                                  | <b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year                                                                                                                                                                                  |
| <b>PLUS</b><br>Transaction costs                        | <b>Nil<sup>2</sup></b>                                                                                                                                                                                                  | <b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in transaction costs                                                                                                                                                                                           |
| <b>EQUALS</b><br>Cost of Airwallex Yield Liquidity Fund |                                                                                                                                                                                                                         | If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 at the end of that year, you would be charged fees and costs in the range of: <b>\$300</b><br><br><b>What it costs you will depend on the fund you choose and the fees you negotiate.</b> |

<sup>1</sup> This example assumes a constant investment of \$50,000 throughout the year and an \$5,000 investment occurs at the end of the year. This assumption is used for calculating the example of annual fees and costs for the Fund.

<sup>2</sup> 'Nil', in respect of a fee, means there is an entitlement to that fee under the Constitution but the Responsible Entity has elected not to charge it. 'Not applicable' means there is no entitlement for the Responsible Entity to charge this fee. There is a calculator provided by ASIC on its Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) that you can use to calculate the effect of fees and costs on your balance.

## Additional explanation of fees and costs

### Management Fees & Costs

The management fees and costs of the Fund are expressed as a percentage of the Fund's Net Asset Value. The management fees and costs are made up of management fees, estimated indirect costs that may be charged by interposed vehicles as well as recoverable expenses.

#### Management fees

The management fees paid to Airwallex for the investment management of the Fund is as follows: 0.50% pa of the Net Asset Value of the USD Unit Class. Management fees are payable to the Investment Manager. Management fees are accrued daily and paid from the Fund monthly in arrears and reflected in the unit price.

#### Indirect costs

Indirect costs are generally any amount the Responsible Entity knows or estimates will reduce the Fund's returns that are paid from the Fund's asset or assets of the interposed vehicles. An interposed vehicle is generally a body, trust/fund or partnership that the Fund's assets are invested in such as the Sub Fund.

#### Recoverable expenses

There are recoverable expenses other than those referred to in the management fees section above that may be reimbursed from the Fund. Responsible entity fees as well as custody, administration, registry and compliance expenses are recoverable expenses. As at the date of this PDS, the Investment Manager will pay all Responsible entity fees as well as custody, administration, registry and compliance expenses and the expected recoverable expenses is nil. There are also other costs incurred in relation to the operation of the Fund and are not expected to be incurred on a regular basis such as but not limited to holding investor meetings; audit, tax and legal costs; preparation of disclosure documents and overheads. Any abnormal and recoverable expenses have been included in the Management Fees & Costs section in the table in section 6 of this PDS.

#### Performance Fees

There are no performance fees.

#### Transaction Costs

There are no transaction costs.

#### Buy & sell spreads

There is no buy/sell spread charged by the Fund.

## Changing the fees

All fees and expenses in this PDS can change without your consent, however it is not expected that the management fees will change while this PDS is current. At least 30 days' notice will be provided in the event management fees increase or there is any other change that requires us to give you prior notice. The Responsible Entity has the right to recover all proper and reasonable expenses incurred in managing the Fund. Changes in the amount of fees and costs charged by service providers, regulators and other third parties may cause the amount of expenses recovered by the Responsible Entity, including estimated trustee fee (if applicable), to increase or decrease from time to time. The maximum that can be charged under the Airwallex Yield Liquidity Fund's constitution are as follows:

- Responsible Entity fee: 2% per annum of the gross Asset Value of the Fund.
- Management fee: 5% per annum of the gross Asset Value of the Fund.
- Performance Fee: 25% of the unit return of the Fund.
- Retirement or removal fee: 0.5% of the gross Asset Value of the Fund.
- Fund termination fee: 1% of the net asset value of the Fund.
- Acquisition Fee: 2% of the purchase price of land acquired by the Fund.
- Entry fee: 5% of the consideration payable on application for units.
- Exit fee: 5% of the redemption price payable on redemption of units.
- Application fee: 0.5% of the application money.
- Redemption fee: 0.5% of the redemption price of the units being redeemed.



### **Additional information incorporated by Reference**

You should read the important information about how fees are charged before making a decision. Go to section 3 of the AID and Appendix III of the Prospectus (available in section 7 of the AID). The material relating to acquiring and disposing of interests may change between the time when you read this PDS and the day when you acquire the product.

The material relating to fees at the Fund and the Underlying Fund levels may change between the time when you read this PDS and the day when you acquire the product.

## **7. How managed investment schemes are taxed**

**Investing in a registered managed investment scheme is likely to have tax consequences and you are strongly advised to seek professional tax advice relevant to your particular situation.**

Registered managed investment schemes do not pay tax on behalf of investors. However, the Responsible Entity may be required to withhold tax from each distribution at the relevant withholding tax rates under certain circumstances. Investors are assessed for tax on any income and capital gains generated by the registered managed investment scheme.

The Responsible Entity will provide an annual summary of distributions made to you during each financial year as well as the relevant information required to complete your Australian tax return.

### **Additional information incorporated by Reference**

You should read the important information about taxation matters related to registered managed investment schemes before making a decision. Go to section 4 of the AID. The material relating to taxation may change between the time when you read this PDS and the day when you acquire the product.

## **8. How to apply**

### **Minimal initial investment**

The minimum initial investment in the Airwallex Yield Liquidity Fund is the USD equivalent of \$10,000 Australian Dollars (and it can be spread across unit classes). Once you have made your minimum initial investment, there are no minimum investment restrictions that apply to your subsequent investments. The Responsible Entity may close investment accounts with a zero balance at any time.

### **How to invest**

Before you choose to invest in the Fund, please carefully read and consider this PDS (including the AID and the Prospectus). To invest, you will need to submit an application through the online application form provided by the Investment Manager at [www.airwallex.com](http://www.airwallex.com).

### **Cooling off**

If you are not investing as a wholesale client, you can request the return of your investment within a 14-day cooling-off period. Please contact the Responsible Entity or Investment Manager directly if you would like to exercise your cooling-off right.

Where your application to invest in the Fund has been accepted, you can request the return of your investment within a 14-day cooling-off period. Please contact the Responsible Entity directly if you would like to exercise this right. If you cool-off, the Responsible Entity will return your money to you and no fees will apply. However, the amount you receive will reflect any movement (whether up or down) in the USD Class Units and any related expenses. As a result, there may be tax, profit or loss implications for you. The cooling-off period commences on the earlier of the end of the fifth business day after your units are issued or the day you receive confirmation of your investment.

### **Acceptable use policy**

The Investment Manager reserves the right to reject your application if the Investment Manager determines that your investment is against its Acceptable Use Policy. The Responsible Entity may accept or reject any investment request, whether for initial or subsequent applications, at any time at its discretion, without providing reasons for its decision.

### **Enquiries or complaints**

If you have any suggestions, tips or complaints, please contact K2 via email ([invest@k2am.com.au](mailto:invest@k2am.com.au)) and we will endeavour to resolve your concerns quickly and fairly.

K2 will confirm receipt of any complaint by email within 1 business day, investigate the matter, and get back to you with a response with the aim of resolving your complaint within 30 days.

If an issue has not been resolved to your satisfaction, you can request that the complaint be escalated to the Responsible Entity for review. You can also lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA is the external dispute resolution scheme established to deal with complaints from consumers in the financial system. It is operated by a not-for-profit company limited by guarantee authorized by the Minister for Revenue and Financial Services.

### **Australian Financial Complaints Authority**

GPO Box 3, Melbourne VIC 3001 Australia [www.afca.org.au](http://www.afca.org.au)  
[info@afca.org.au](mailto:info@afca.org.au) 1800 931 678 (free call)

You should quote the following AFCA membership number with your enquiry: 12481.

Please note that these procedures are only applicable for enquiries and complaints relating to the Fund.