

# Continuous Disclosure & Updates

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## CC JCB Active Bond Fund - Class B

ARSN 610 435 302    APIR: CHN3749AU

### Updated Complaints Resolution Procedures

**5 October 2021**

Section 8 of the 'Product Disclosure Statement' document dated December 2018 provides details of the complaints resolution procedures. CIML wishes to further disclose that it will respond within 30 calendar days after receiving a complaint.

### Updated Transactional & Operational Costs for the financial year ended 30 June 2021

**5 October 2021**

Section 2 of the 'Additional Information to the Product Disclosure Statement' document dated December 2018, which was updated on 14 December 2020, provides detail on the transactional and operational costs incurred by the Fund for the 12 months ended 30 June 2020. CIML wishes to disclose the total transactional and operational costs incurred by the Fund for the 12 months ended 30 June 2021 were calculated to be \$41.14 based on a \$100,000 holding (approximately 0.041% of total average net assets), and the total transaction and operational costs, net of buy/sell spread recovery, were calculated to be \$6.62 based on a \$100,000 holding (approximately 0.007% of total average net assets).

### Updated Bloomberg details

**4 August 2021**

The objective of the Fund is to outperform the Bloomberg AusBond Treasury 0+ Yr Index over rolling 3 year periods. Bloomberg requires certain details about itself and its index to be included in the offer document of the Fund.

The front cover of the 'Additional Information to the Product Disclosure Statement' document dated December 2018 is amended by including the following section after the section titled 'Updated Information':

#### **Bloomberg Disclaimer**

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## Updated Transactional & Operational Costs for the financial year ended 30 June 2020

### 14 December 2020

Section 2 of the 'Additional Information to the Product Disclosure Statement' document dated December 2018, which was updated on 18 December 2019, provides detail on the transactional and operational costs incurred by the Fund for the 12 months ended 30 June 2019. CIML wishes to disclose the total transactional and operational costs incurred by the Fund for the 12 months ended 30 June 2020 were calculated to be \$80.98 based on a \$100,000 holding (approximately 0.08% of total average net assets), and the total transaction and operational costs, net of buy/sell spread recovery, were calculated to be \$33.36 based on a \$100,000 holding (approximately 0.03% total average net assets).

## Updated Transactional & Operational Costs for the financial year ended 30 June 2019

**18 December 2019**

Section 2 of the 'Additional Information to the Product Disclosure Statement' document dated December 2018, provides detail on the transactional and operational costs incurred by the Fund for the 12 months ended 30 June 2018. CIML wishes to disclose the total transactional and operational costs incurred by the Fund for the 12 months ended 30 June 2019 were calculated to be \$78.09 based on a \$100,000 holding (approximately 0.08% of total average net assets).

## Proposed Constitution amendment for AMIT regime

**17 June 2019**

### Background to AMIT regime

1. The Attribution Managed Investment Trusts (AMIT) regime commenced in May 2016, and provides a new tax system for managed investment schemes which satisfy certain criteria.
2. The key benefits of the AMIT regime for responsible entities, and investors in their schemes, include:
  - (a) the ability to stream a wide range of tax attributes to different investors (e.g. different kinds of capital gains, income subject to withholding tax, foreign source income, exempt income and income entitled to tax offsets) (Income Attribution);
  - (b) the ability to elect to treat income and assets attributable to a class of units as a separate AMIT and for Income Attribution to apply to each separate class of units;
  - (c) an 'unders and overs' system to allow errors in calculating taxable income to be rectified by making adjustments in the year the errors are discovered (rather than having to amend the scheme's tax return, and tax statements, as is currently the case);
  - (d) cost base adjustment rules to increase or decrease the cost base of units for capital gains tax purposes where amounts are attributed, but not distributed, to investors which can reduce double taxation – previously only cost base reductions were allowed for 'tax deferred' distributions; and
  - (e) the scheme being deemed to be a 'fixed trust', which, where applicable, assists in allowing tax losses to be carried forward and for franking credits to be distributed to investors.
3. For schemes which qualify as MITs, to take advantage of the AMIT regime the responsible entity must elect for the scheme to be treated as an AMIT. Further, the interests of all investors in the scheme must be clearly defined at all times when the trust is in existence in the income year. ASIC relief to facilitate constitution amendments
4. Generally, the constitution of a registered managed investment scheme may be amended:
  - (a) by the responsible entity, if it reasonably considers the amendment does not adversely affect unitholders' rights; or
  - (b) otherwise, by a special resolution of unitholders.

5. However, ASIC has granted conditional relief to enable a responsible entity to amend a registered scheme constitution to facilitate the scheme being operated as an AMIT without convening a unitholders' meeting.

### **Application to CC JCB Active Bond Fund**

6. Channel Investment Management Limited, as responsible entity for the Fund, has determined the Fund meets the criteria for, and is eligible to, participate in the AMIT regime.
7. The Income Attribution and sub-fund items discussed at paragraph 2(a) will not apply to the Fund, as we do not intend to stream different tax attributes to different investors. However, we consider the ability to make the election outlined at paragraph 2(b), and the items discussed at paragraphs 2(c) to (e), may be beneficial for the Fund and investors and consider it is in the best interests of investors for the Fund constitution to be amended to enable the AMIT regime to apply. Proposal to amend Trust constitution
8. Accordingly, we propose to vary the Fund constitution by:
  - (a) enabling the responsible entity to elect to treat income and assets attributable to a class of units as a separate AMIT and for Income Attribution to apply to each separate class of units;
  - (b) enabling the responsible entity to attribute each determined trust component to unitholders on a pro rata basis for each distribution period during that financial year;
  - (c) enabling the responsible entity to apply the 'unders and overs' regime to adjust a trust component in the income year in which the under or over is discovered; and
  - (d) to require the responsible entity to send an AMIT statement to each unitholder for an income year in which the Fund is an AMIT, where the Fund is an AMIT for any financial year,
9. In accordance with the ASIC relief, we will proceed to vary the Fund constitution unless we receive requests to call and arrange to hold a meeting of the Fund's unitholders, to consider and vote on a special resolution to modify the constitution as outlined above, from unitholders with at least 5% of the votes that may be cast on the resolution by 25 June 2019.
10. Requests for us to call and arrange a meeting must be made in writing by email to [clientservices@channelcapital.com.au](mailto:clientservices@channelcapital.com.au).

Channel Investment Management Limited ACN 163 234 240 AFSL 439007 is the responsible entity and issuer of units in the CC JCB Active Bond Fund ARSN 610 435 302. This information has been prepared without taking into account the objectives, financial situation or needs of any person. All investments involve risk. The value of an investment can rise and fall and past performance is not indicative of future performance. Before making an investment decision you should obtain and read a copy of the PDS and consider, with the assistance of a financial or other advisor, whether the investment is appropriate for you having regard to your objectives, financial situation or needs. A copy of the PDS can be obtained from [www.channelcapital.com.au](http://www.channelcapital.com.au).

Please note that offers to invest in Class B units of the CC JCB Active Bond Fund is only available to persons to whom Channel Investment Management Limited or JamiesonCooteBonds Pty Ltd has notified as being eligible to participate in the offer.