

TAILORED
INVESTMENT
SOLUTIONS

SPDR Gold Shares (GLD) Units Series 1



**First Supplementary Product Disclosure Statement
Dated 15 November 2021**

ABOUT THIS SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

This Supplementary Product Disclosure Statement is issued by Tailored Investment Solutions Pty Ltd (ACN 169 320 905) (**Issuer**) and arranged by Finexia Securities Limited (ABN 61 608 667 778, AFSL 485760). This Supplementary Product Disclosure Statement (the **SPDS**) supplements the Product Disclosure Statement dated 29 October 2018 (together, the **PDS**) in respect of the Tailored Investment Solutions SPDR Gold Shares Units Series 1 (**Units**).

The purpose of the amendments contained in this SPDS are to provide Investors with a way to extend the Maturity Date of their current investment in the Units. The Final Value per Unit as at the date of this SPDS is \$0.188. The Issuer is seeking to give Investors the opportunity to either:

- (a) extend the Maturity Date of their Units by acquiring Extension Units, and to receive a potential Bonus Coupon of \$0.021 per Extension Unit; or
- (b) stay invested in their existing Units on the original terms of the PDS, by doing nothing.

Details of the amendments to the PDS are set out below. Please read this SPDS together with the PDS and retain this document with the PDS. You should read all parts of the PDS and SPDS.

An Election Form is attached to this SPDS which sets out the above two options. If you decide to acquire extension units, and therefore extend the Maturity Date, this Election Form is also an Application Form for the Extension Units.

Investors who convert to Extension Units have the option to continue with the same number of Extension Units as the number of Units which they currently hold, and receive the Bonus Coupon paid in cash into their nominated bank account, or continue with additional Extension Units by reinvesting the Bonus Coupon in Extension Units. As at the date of this SPDS the Bonus Coupon would be \$0.021 per Extension Unit. There is no guarantee an Investor will receive a Bonus Coupon. The Bonus Coupon depends on the performance of the original Units at maturity. The value quoted in respect of the Bonus Coupon is indicative only and subject to change.

If you elect the option of reinvesting the Bonus Coupon the formula for calculating the final number of Extension Units which you will receive is as follows, rounded down to the nearest whole number:

$$= \text{Number of Units held} + ((\text{Bonus Coupon} / \text{Extension Units Issue Price}) * \text{Number of Units held})$$

If you do not elect to reinvest the Bonus Coupon, the number of Extension Units you will received is equal to the number of Units currently held.

As at the date of this SPDS, Investors that elect to use the Bonus Coupon to reinvest in additional Extension Units would increase their holding by approximately 12.57%. For example, as at the date of this SPDS, an Investor with 100,000 Units would be allocated 112,574 Extension Units if they elected to reinvest the Bonus Coupon.

Investors wishing to apply for Extension Units will need to complete the attached Election Form and return the Election Form to the Issuer by no later than 5pm, 16 December 2021.

AMENDMENTS TO THE PDS

A) TERMS FOR THE NEW EXTENSION UNITS

If you wish to extend the Maturity Date for your existing Units, please complete the attached Election Form (Application Form) for the Extension Units and return it to the Issuer.

The Terms applicable to the new Extension Units are set out below. These Terms apply to the Extension Units only. There is no change to the existing PDS or the Terms applicable to the existing Units if an Investor elects to stay invested in the current Units on their current Terms.

1. Coupons.

Other than the potential Bonus Coupon described in this SPDS, there are no Coupons payable in respect of Extension Units. Investors receive a single payoff at Maturity (subject to the performance of the Reference Asset) in the form of the Extension Final Value.

All references to the calculation of Coupons in the PDS are deleted accordingly, with respect to the Extension Units only.

The Bonus Coupon per Extension Unit becomes payable on the Extension Bonus Coupon Determination Date and is calculated as the Final Value per Unit payable in respect of the original Units (if any) less the Extension Unit Issue Price. No Bonus Coupon is payable if this amount is less than or equal to zero. As at the date of this SPDS the Bonus Coupon is estimated to be \$0.021 per Extension Unit. The value quoted in respect of the Bonus Coupon is indicative only and subject to change.

2. Initial Reference Asset Value.

The Initial Extension Reference Asset Value will be set at 100 on the Extension Commencement Date.

3. Timeline.

In Section 3.1, page 8 the Timeline, with respect to the Extension Units only, has been amended as follows:

Extension Offer Opening Date	15 November 2021
Extension Offer Closing Date	10 December 2021
Application Payment Date	16 December 2021
Extension Commencement Date	20 December 2021
Extension Bonus Coupon Determination Date	20 December 2021
Extension Maturity Averaging Dates	19 July 2024, 20 August 2024, 20 September 2024, 21 October 2024, 20 November 2024, 20 December 2024
Extension Maturity Date	20 December 2024
Investment Term	3 years
Buy-Back Dates for Extension Units	Quarterly, on the last Business Day of each calendar quarter. Investors must lodge their Buy-Back Form no later than 10 Business Days before the relevant Buy-Back Date. Any Buy-Back Form received after this time will be held over to the next Buy-Back Date.
Settlement Date for Extension Units	10 Business Days after the Extension Maturity Date, or such other date as determined by the Issuer in its discretion as is reasonably necessary for the Issuer to fulfil its obligations under the Terms.

4. Issue Price.

The Issue Price of the Extension Units is \$0.1760

The Notional Exposure per Extension Unit is \$1.00

All references to "Issue Price" in the PDS are amended to the above Issue Price with respect to the Extension Units only.

All references to "Notional Exposure per Unit" in the PDS are amended to the above Notional Exposure per Extension Unit, with respect to the Extension Units only.

5. Break Even and Sensitivity Analysis.

The tables setting out the Break Even and Sensitivity Analysis in section 5 of the PDS are replaced as follows (in the same order as they appear in the PDS), with respect to the Extension Units only. The following examples are limited to the Extension Units and do not take into account any costs incurred in acquiring the original Units and do not take into account the Bonus Coupon.

Units	Total Investment Amount*	Increase in Reference Asset Value required to break even over 3 years assuming no change in the AUD/USD exchange rate over the Investment Term and assuming no Coupons are paid over the Investment Term.
100,000	\$17,600	17.60%

Units	Total Investment Amount*	AUD/USD exchange rate at Commencement	Increase in Reference Asset Value required to break even over 3 years assuming steady AUD/USD spot rate and assuming no Coupons are paid over the Investment Term.	Increase in Reference Asset Value required to break even over 3 years based on AUD/USD = \$0.60 and assuming no Coupons are paid over the Investment Term.
100,000	\$17,600	0.70	17,60%	15.09%

Units	Total Investment Amount*	AUD/USD exchange rate at Commencement	Increase in Reference Asset Value required to break even over 3 years assuming steady AUD/USD spot rate and assuming no Coupons are paid over the Investment Term.	Increase in Reference Asset Value required to break even over 3 years based on AUD/USD = \$0.80 and assuming no Coupons are paid over the Investment Term.
100,000	\$17,600	0.70	17,60%	20.11%

6. Final Value, Final Reference Asset Value, Reference Asset Value and Maturity Averaging Mechanism.

The Final Value per Extension Unit will be calculated using an averaging mechanism over the final 5 months of the investment in the same manner as the original Units. References to Final Averaging Dates in the PDS are removed and replaced with references to Extension Final Averaging Dates (as set out in the table above), with respect to the Extension Units only.

In Section 3, page 11 the formula for the Final Value at Maturity is amended as follows, with respect to the Extension Units only:

The Extension Final Value per Extension Unit is determined on the Extension Maturity Date in accordance with the following formula:

$$\text{Extension Final Value} = 90\% \times \left(\text{Max} \left(0, \left(\text{Notional Exposure} \times \left(\frac{\text{Extension Final Reference Asset Value}}{\text{Initial Extension Reference Asset Value}} - 1 \right) \right) \right) \right) \times \left(\frac{\text{Series Spot Rate}_{\text{YE}}}{\text{Series Spot Rate}_{\text{YEF}}} \right)$$

Series Spot Rate_{YE} means the AUD/USD spot rate on the Extension Commencement Date

Series Spot Rate_{YEF} means the AUD/USD spot rate on the Extension Maturity Date

The Extension Final Reference Asset Value will be calculated over the six Extension Maturity Averaging Dates set out in the Timeline above, with respect to the Extension Units only.

In Section 3, page 9 the formula and definition for the Reference Asset Value are amended as follows:

The Extension Reference Asset Value is used when calculating the Extension Final Value of the Units. The Extension Reference Asset Value is calculated as follows:

$$\text{Extension Reference Asset Value}_t = \left(1 + \frac{\text{Extension Reference Asset Level}_t - \text{Extension Reference Asset Level}_0}{\text{Extension Reference Asset Level}_0} \right) \times 100$$

Where:

Extension Reference Asset Value_t means the Reference Asset Value on Scheduled Business Day t

Extension Reference Asset Level_t means the Reference Asset Closing Price on Scheduled Business Day t

Extension Reference Asset Level₀ means the Reference Asset Closing Price on the Commencement Date

7. Key Risks

In Section 8, on page 26 under the heading 8.1 The Units insert:

Extension Risk

There is no guarantee that the performance of the Extension Units will exceed that of the original Units. The Issuer in no way suggests or guarantees that the Extension Units will experience a higher return than the existing Units, and it is possible that investors may lose any gains accrued by the existing Units altogether. Investors will also have a further three year exposure to all other risks described in the original PDS.

8. Worked Examples.

In Section 7, pages 21-25 worked examples showing the calculations for the Coupons and Final Value of an investment in the Units have been updated to reflect the terms of the Extension Units as per this SPDS (including the removal of Coupons). The calculations are amended as follows (for Scenario 1, with Scenario 2 and 3 being calculated in the same manner), with respect to Extension Units only. The calculation of the Delivery Parcel is calculated in the same manner as for the original Units.

Date	Reference Asset Value			AUD/USD exchange rate
	Scenario 1	Scenario 2	Scenario 3	
Extension Commencement Date	100	100	100	0.6
Extension Maturity Averaging Date 1	140	95	100	
Extension Maturity Averaging Date 2	145	90	103	
Extension Maturity Averaging Date 3	150	85	101	
Extension Maturity Averaging Date 4	150	85	103	
Extension Maturity Averaging Date 5	155	80	100	
Extension Maturity Averaging Date 6	160	75	101	0.7

Step 1 Calculate the Initial Reference Asset Value

The Extension Initial Reference Asset Value is set at 100 on the Commencement Date.

Step 2 Calculate the Extension Final Reference Asset Value

The Extension Final Reference Asset Value is the average of the Extension Reference Asset Values on each of the three Extension Maturity Averaging Dates.

$$\begin{aligned} \text{Extension Final Reference Asset Value} &= (140 + 145 + 150 + 150 + 155 + 160)/6 \\ &= 150 \end{aligned}$$

Step 3 Calculate the Extension Final Value of the Units

The Extension Final Value of the Units is calculated in accordance with the following formula:

$$\text{Extension Final Value} = 90\% \times \left(\text{Max} \left(0, \left(\text{Notional Exposure} \times \left(\frac{\text{Extension Final Reference Asset Value}}{\text{Initial Extension Reference Asset Value}} - 1 \right) \right) \right) \right) \times \left(\frac{\text{Series Spot Rate}_{YE}}{\text{Series Spot Rate}_{YEF}} \right)$$

The amount of the Extension Final Value is converted to Australian dollars using the AUD/USD spot rate as at the Extension Maturity Date as denoted in the above formula.

The 90% in the above formula for Extension Final Value has the effect of reducing the Extension Final Value by the amount of the Performance Fee. The Performance Fee is 10% of the amount that would otherwise be payable.

Based on the values set out in the table above, the Extension Final Value per Unit for Scenario 1 would be:

$$\begin{aligned} \text{Final Value per Unit} &= 90\% \times [\text{Max} (0, (\text{Notional Exposure} \times (150/100 - 1)))] \times (0.6/0.7) \\ &= 90\% \times [\text{Max} (0, \$1.00 \times (150/100 - 1))] \times 0.857143 \\ &= 90\% \times [\text{Max} (0, \$0.50)] \times 0.857143 \\ &= 90\% \times \$0.50 \times 0.857143 \\ &= \$0.385714 \text{ per Unit} \end{aligned}$$

For a holding of 50,000 Units, this would be \$19,285.71.

The amount of this Extension Final Value has been reduced on account of the Performance Fee. The Performance Fee is calculated as follows:

$$\begin{aligned} \text{Performance Fee} &= 10\% \times [\text{Max} (0, (\text{Notional Exposure} \times (\text{Extension Final Reference Asset Value}/\text{Extension Initial Reference Asset Value} - 1)))] \times (\text{Series Spot Rate}_{YE}/\text{Series Spot Rate}_{YEF}) \\ &= \$0.042857 \text{ per Unit} \end{aligned}$$

Therefore, the Issuer will receive a Performance Fee of \$0.042857 per Unit.

Note that the calculation of the Extension Final Value set out above already takes into account the amount of the Performance Fee.

Overview of Scenarios 1, 2 and 3

The table below sets out the Extension Final Value per Unit and the value of the Delivery Parcel per Unit which would apply to Scenario 1, 2 and 3. Each of the values listed below for Scenario 2 and 3 were calculated in the same way as set out in the examples above for Scenario 1.

	Scenario 1	Scenario 2	Scenario 3
Extension Initial Reference Asset Value	100	100	100
Extension Final Reference Asset Value	150	85	101.33
Extension Final Value per Unit	\$0.385714	\$0.00	\$0.01026
Performance Fee on Extension Final Value*	\$0.042857	\$0.00	\$0.00114
Value of Delivery Parcel received by Investor who holds 50,000 Units^	\$19,285.71	\$0	\$513.00

*This is the Performance Fee.

^ This value of the Delivery Parcel may be less where there are Delivery Costs. As at the date of this PDS, the Issuer does not expect there to be any Delivery Costs on the Delivery Parcel.

Where the relevant calculation produces a negative result, no Final Value will be payable.

In Scenarios 2 and 3, the Final Value is \$0.00 therefore Investors will not receive a Delivery Parcel on Maturity. Therefore, Investors would have lost their entire Total Investment Amount.

9. Issuer Does Not Intend to Accept New Investors.

In Section 12, page 38 under the heading Acceptance of the Offer by the Issuer, insert at the end of paragraph (a), in respect of the Extension Units only:

The Issuer does not intend to accept applications from investors who do not already hold Tailored Investment Solutions SPDR Gold Shares Units Series 1. The Issuer may also not accept applications from current unit holders for an amount of Extension Units greater than the amount of their current holding of Units.

10. Change of Terminology.

In Section 13, pages 47-52 of the PDS are amended as follows, with respect to the Extension Units only. In relation to existing Units, no change is made to the PDS:

- i. **"Bonus Coupon"** has the meaning described in this SPDS;
- ii. **"Commencement Date"** is now **"Extension Commencement Date"** and is defined in the above Timeline;
- iii. **"Coupon Determination Date"** is deleted;
- iv. **"Extension Bonus Coupon Determination Date"** is defined in the above Timeline;
- v. **"Extension Units"** means the Units issued by the Issuer to an Investor who elects to extend their Maturity Date on the attached Election Form (Application Form) and which are subject to the revised Terms set out in this SPDS;
- vi. **"Final Reference Asset Value"** is now **"Extension Final Reference Asset Value"**, as set out above in paragraph 5 above in this SPDS;
- vii. **"Final Value"** is now **"Extension Final Value"**, as set out above in Paragraph 5 above in this SPDS;
- viii. **"First Coupon"** is deleted;
- ix. **"First Coupon Determination Date"** is deleted;
- x. **"Gross Coupon"** is deleted;
- xi. **"Gross First Coupon"** is deleted;
- xii. **"Gross Second Coupon"** is deleted;
- xiii. **"Initial Averaging Dates"** is deleted;
- xiv. **"Initial Reference Asset Value"** is now **"Extension Initial Reference Asset Value"**;
- xv. **"Issue Closing Date"** is now **"Extension Closing Date"** and is defined in the above Timeline;
- xvi. **"Issue Opening Date"** is now **"Extension Opening Date"** and is defined in the above Timeline;
- xvii. **"Maturity Averaging Dates"** is now **"Extension Maturity Averaging Dates"** and is defined in the above Timeline;
- xviii. **"Maturity Date"** is now **"Extension Maturity Date"** and is defined in the above Timeline;
- xix. **"Reference Asset Value"** is now **"Extension Reference Asset Value"** as set out above in this SPDS;
- xx. **"Second Coupon"** is deleted;
- xxi. **"Second Coupon Determination Date"** is deleted;
- xxii. **"Units"** is amended to **"Extension Units"**, as described in this SPDS.

These new and replacement terms replace the old terms throughout the PDS.

B) STAY WITH EXISTING UNITS

If an Investor wants to continue their investment in the current Units without change, and Investor can either:

- (a) do nothing; or
- (b) fill in the attached Election Form electing to stay in the existing Units.

In this case, the Investor's Units will be unchanged, and the existing Terms of the PDS dated 29 October 2018 will continue to apply and the Investors Units will mature on the original Maturity Date of 16 December 2021.

ELECTION FORM (APPLICATION FOR EXTENSION UNITS)

This is an Election Form for Units in the Tailored Investment Solutions SPDR Gold Shares Units Series 1 and an Application Form for Extension Units issued by Tailored Investment Solutions Pty Ltd (ACN 169 320 905) and arranged by Finexia Securities Limited (ABN 61 608 667 778, AFSL 485760). This Election Form / Application Form accompanies the Supplementary Product Disclosure Statement (SPDS) dated 15 November 2021. This form is to be used to indicate your decision regarding continuing with your current investment in the Units, or electing to opt in to the Extension Units, as described in the SPDS. Please see the instructions on how to complete this Form in the SPDS. This Election Form / Application Form must be received by the Registrar by close of business on 10 December 2021 in order to be processed. If the Registrar does not receive a completed form by the given date and time, you will be deemed to have elected to continue your current investment in the Units unchanged with a Maturity Date of 16 December 2021.

SECTION A – INVESTMENT DECISION

Please indicate your investment decision by ticking the appropriate box:

- Convert my existing Units by applying for Extension Units, with reinvestment of the Bonus Coupon (if any).
- Convert my existing Units by applying for Extension Units, without reinvestment of the Bonus Coupon (if any).
- Continue with my investment in the original Units unchanged. I/We understand by electing this option I/we will not be paid the Bonus Coupon.

SECTION B – INVESTOR DETAILS

I/We hereby direct Tailored Investment Solutions Pty Ltd to do everything necessary to comply with my investment decision as indicated in Section A of this Election Form.

Investor Portfolio Number*:

Investor Portfolio Name*:

*These are unique identifiers assigned to you by the Registrar.

SECTION C – DECLARATIONS & SIGNATURES

I/We the registered Unitholder(s) request the Issuer to enact our investment decision as specified in Section A above, subject to the conditions contained in this SPDS and in the PDS on which I/we held those Units at the time of signing of this form.

I/We have full legal power to complete this Election Form / Application Form and do so free of any encumbrance or security (whether registered or not).

I/We agree to be bound by the terms contained in this SPDS, the original PDS, including the Application Form in the original PDS, as applicable, when electing to continue with my/our current investment in the Units or when electing to have my/our Units converted to Extension Units.

I/We represent that all the instructions, directions and representations made in the original Application Form in the original PDS remain true and accurate as at the date of this Form.

If I/we have elected to apply for Extension Units, I / we hereby irrevocably direct and instruct the Issuer to apply the Final Value per Unit we are entitled to receive on unwind of our existing Units (if any) to full and final satisfaction of the Issue Price for the Extension Units we have applied for.

I / we agree and acknowledge that the entire Final Value for the Units we currently hold (if any) will be applied to acquire new Extension Units.

I/We understand by submitting the Election Form, that it is irrevocable.

Signature of Unitholder 1

Name of Unitholder 1

Date

Tick capacity – mandatory for companies Sole Director Director Secretary

Tick capacity if appropriate: Individual Trustee Corporate Trustee Partner

Signature of Unitholder 2

Name of Unitholder 2

Date

Tick capacity – mandatory for companies Sole Director Director Secretary