



Navra Blue Chip Australian Share Funds Supplementary Product Disclosure Statement Dated 9 February 2009

This Supplementary Product Disclosure Statement (“Supplementary PDS”) supplements the Product Disclosure Statement dated 1 July 2007 (“PDS”) relating to an investment in the following funds:

- Navra Blue Chip Australian Share Retail Fund
ARSN 104 384 974 (the “Retail Fund”)
- Navra Blue Chip Australian Share Wholesale Fund
ARSN 104 384 894 (the “Wholesale Fund”)
- Navra Blue Chip American Share Fund
ARSN 116 558 948 (the “American Fund”)

(together the “Funds”).

This Supplementary PDS is dated 9 February 2009 and is issued by NavraInvest Limited ABN 46 101 355 239, holder of AFS Licence No 226358 (“NavraInvest”), as the Responsible Entity of the Funds.

This Supplementary PDS is to be read together with the PDS prior to investing in the Funds.

The Supplementary PDS is not required to be and will not be lodged with ASIC. ASIC takes no responsibility for the contents of this Supplementary PDS.

Terms defined in the PDS have the same meaning in this Supplementary PDS.

The purpose of this Supplementary PDS is to update the PDS in the following respects:

▪ **Termination of Navra Blue Chip American Share Fund**

As Responsible Entity, NavraInvest Limited has made the decision to terminate the Navra Blue Chip American Share Fund on and from 27 February 2009 in accordance with clause 4.2 (a) of the Fund’s constitution. Subscriptions into the Fund are no longer being accepted.

However unit withdrawal requests from the Fund received before 3.00pm on Friday 27 February 2009 will be processed.

All references to the Navra Blue Chip American Share Fund in the PDS are taken to be deleted from the PDS from 27 February 2009.

▪ **Underlying Investment Fund**

The following paragraphs replace the paragraphs under the heading of **Description of the Funds** on pages 3 to 4 of the PDS:

“Navra Blue Chip Australian Share Retail Fund (the “Retail Fund”) and Navra Blue Chip Australian Share Wholesale Fund (the “Wholesale Fund”) have the same investment objective. Both Funds achieve their investment objective through holding units in the underlying Navra Blue Chip Australian Share Income Fund (the “Income Fund”) established by a deed dated 8 December 2008 (the “Trust Deed”). The Retail Fund and the Wholesale Fund are registered with ASIC under the Corporations Act as managed investment schemes and NavraInvest is the responsible entity and manager of these two funds. The Income Fund has been established as a separate unit trust. It is not required to be registered with ASIC under the Corporations Act. The trustee of the Income Fund is Navra Administrative Services Pty Ltd ACN 132 837 168 which is a wholly owned subsidiary of NavraInvest Limited. NavraInvest has been appointed as manager of the Income Fund.

The Wholesale Fund has a higher minimum entry level and lower fee structure than the Retail Fund. Adviser commissions, in the form of entry fees and trailing commissions, are allowed for in the Retail Fund but not in the Wholesale Fund and no Savings Plan is offered in the Wholesale Fund.

Through investment in the underlying Income Fund, both the Retail Fund and the Wholesale Fund have exposure to Blue Chip Shares selected from the S&P/ASX 200 Index. The investment philosophy, objective, management processes and strategy outlined below are those of NavralInvest as manager of the Income Fund and, by virtue of their investment in the Income Fund, apply to both the Retail Fund and the Wholesale Fund.”

▪ **Derivatives**

The following sentences replace the sentence under the heading of **Derivatives** on page 6 of the PDS:

“The Funds’ Constitutions and Trust Deed permit investment in derivatives. Derivatives may be used as part of the investment strategy for a Fund to gain exposure to companies, markets, to manage risk or to enhance the returns of the Fund. Derivatives will only be used for hedging purpose.”

▪ **Risk Factors**

The following paragraphs are inserted after the paragraph headed Liquidity risk on page 8 of the PDS:

“**Derivatives risk**

The primary risks associated with the use of derivative contracts are:

- the value of the derivative failing to move in line with the underlying asset (a performance difference)
- the potential lack of liquidity of the derivative
- the Fund may not be able to meet payment obligations as they arise
- the counterparty to the derivative contract may not meet its obligations under the contract.

The Funds do not use derivative contracts for speculative purposes or to leverage the assets of the Funds.

The risk of a performance difference is minimised by investing in derivatives contracts where the behaviour is expected to resemble that of the underlying securities in the Fund. In addition, the risks that arise from the use of derivatives are managed in accordance with NavralInvest’s investment strategy for the Fund.

The risk that the Fund may not be able to close out a derivatives position is minimised by entering into such transactions on an exchange with an active and liquid secondary market.

All derivative positions must be backed by cash or physical holdings in the relevant securities.

NavralInvest deals with a number of financial counterparties in the ordinary course of business and is subject to the risk of a bankruptcy in one or any one of them. NavralInvest mitigates this risk by dealing with a broad range of organisation held in good standing.”

Important Notice

This Supplementary PDS does not constitute personal advice or contain a recommendation to invest. In preparing this PDS NavralInvest has not taken into account your investment objectives, financial situation or needs. You should assess whether the Funds are appropriate for you and if you have any doubt as to the course of action you should take you should consult your financial adviser before making an investment decision.



Navra Blue Chip Australian Share Retail Fund
Navra Blue Chip Australian Share Wholesale Fund
Navra Blue Chip American Share Fund

A photograph of two chess pieces, a white knight and a blue knight, on a checkered board. The pieces are illuminated from below, creating a strong glow and casting shadows on the board. The background is dark and out of focus.

Product Disclosure Statement

Dated 1 July 2007

Issued by NavralInvest Limited, ABN 46 101 355 239

AFS Licence Number 226358

This Product Disclosure Statement covers the following Funds:

Navra Blue Chip Australian Share Retail Fund

ARSN 104 384 974 APIR NAV0001AU

Navra Blue Chip Australian Share Wholesale Fund

ARSN 104 384 894 APIR NAV0002AU

Navra Blue Chip American Share Fund

ARSN 116 558 948 APIR NAV0003AU

The name and contact details of the responsible entity for the Funds are:

NavraInvest Limited

ABN 46 101 355 239

Australian Financial Services Licence No: 226358

Suite 1, Level 5

65 Berry Street

North Sydney NSW 2060

Telephone: 1300 656 131

Facsimile: 02 9087 1877

Email: info@navrainvest.com.au

Website: www.navrainvest.com.au

Important Notice

This Product Disclosure Statement ("PDS") is an important document which should be read carefully before making a decision whether or not to invest in the Funds. It has been prepared by NavraInvest Limited and dated 1 July 2007.

This PDS relates to investments in the Navra Blue Chip Australian Share Retail Fund (the "Retail Fund"), the Navra Blue Chip Australian Share Wholesale Fund (the "Wholesale Fund") and the Navra Blue Chip American Share Fund (the "American Fund"), together "the Funds", which are managed by NavraInvest Limited (referred to in this

PDS as 'NavraInvest', the 'responsible entity', 'we', 'our' or 'us').

References to 'you' or 'your' are to prospective investors in the Funds.

The issue of the PDS is authorised solely by NavraInvest Limited which does not guarantee the performance of the Funds or the repayment of capital or payment of income by the Funds. Investments in the Funds are subject to investment risk including loss of income and capital invested. Past performance should not be taken as an indication of future performance.

All references to monetary amounts in this PDS are, unless specifically identified to the contrary, references to Australian dollars.

This PDS does not constitute personal advice or contain a recommendation to invest. In preparing this PDS NavraInvest has not taken into account your investment objectives, financial situation or needs. You should assess whether the Funds are appropriate for you and if you have any doubt as to the course of action you should take you should consult your financial adviser before making an investment decision.

If an electronic copy of this PDS is printed, all pages including the application form must be printed. If this PDS is made available to another person, they must be provided with the entire electronic file or printout, including the application form. A paper copy of this PDS (and any supplementary documents) can also be obtained free of charge on request by calling NavraInvest on 1300 656 131 or by contacting a financial adviser.

The information in this PDS is up to date at the time of preparation. However, some information can change from time to time. NavraInvest may make available updated information in relation to the PDS. You may access this information at www.navrainvest.com.au or alternatively may request a paper copy of the information, free of charge, by calling NavraInvest on 1300 656 131 or by contacting a financial adviser. The information NavraInvest will make available by way of these

updates will not be information that is materially adverse to unit holders. This information will be contained in a supplementary or replacement product disclosure statement.

NavralInvest authorises the use of this PDS as a disclosure document for private clients, financial advisers and institutional investors as well as clients and prospective clients of an Investor Directed Portfolio Services (“IDPS”) or an IDPS-like service (commonly referred to as a master trust, wrap account, nominee or custody service).

Except for applications from IDPS or IDPS-like services, units in the Funds cannot be issued unless the application form attached to either a paper or electronic copy of the PDS is used.

This PDS does not constitute and should not be construed as an offer, invitation or recommendation by NavralInvest or other related companies to apply for units in the Funds in any state, country or jurisdiction where such offer, invitation or recommendation may not be lawfully made. The offer made in this PDS is available only to residents of Australia.

Terms that are included in the Glossary of Terms are shown in capitals throughout the PDS and have the meaning given to them in the Glossary of Terms unless the context otherwise requires.

This PDS is not required to be and will not be lodged with the Australian Securities and Investments Commission (“ASIC”). NavralInvest will notify ASIC that this PDS is in use in accordance with section 1015D of the Corporations Act. ASIC takes no responsibility for the contents of this PDS.

The Retail Fund and the Wholesale Fund invest into units in the Navra Blue Chip Australian Share Investment Fund (the “Investment Fund”). NavralInvest is the manager and responsible entity for each of these three funds. The Retail Fund and the Wholesale Fund do not take any form of investment in their own right other than holding units in the Investment Fund. All references in this PDS to the investments of the Retail Fund and the Wholesale Fund and to the investment philosophy,

policies, processes and strategies relate to the Investment Fund.

The entire PDS should be read carefully before deciding whether or not to invest in the Funds.

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The Navra Blue Chip Share Funds at a glance

| | Navra Blue Chip Australian Share Retail Fund | Navra Blue Chip Australian Share Wholesale Fund | Navra Blue Chip American Share Fund |
|-----------------------------------|---|---|---|
| Minimum Investment | | | |
| Minimum suggested investment term | 5 years | 5 years | 5 years |
| Minimum initial application | \$1,000 (note A) | \$2,500,000 (note D) | \$1,000 (note A) |
| Minimum additional application | \$500 | \$250,000 (note D) | \$500 |
| Savings Plan | \$1,000 initially and at least \$100 per month (note A) | N/A | \$1,000 initially and at least \$100 per month (note A) |
| Applications/withdrawals | Daily dealing up to 3.00pm on any Business Day | Daily dealing up to 3.00pm on any Business Day | Daily dealing up to 3.00pm on any Business Day |
| Minimum withdrawal | \$500 | \$10,000 (note D) | \$500 |
| Minimum balance | \$500 | \$1,000,000 (note D) | \$500 |

| Fees and Charges | | | |
|------------------------------|--|---|--|
| NavraInvest fee | 1.5375% per annum (note 3) | 1.1275% per annum (note 3) | 1.5375% per annum (note 3) |
| Entry fee | Up to 4.4% of your investment (note B) | Nil | Up to 4.4% of your investment (note B) |
| Exit fee | Nil | Nil | Nil |
| Adviser trailing commission | 0.44% paid by NavraInvest (note C) | Nil | 0.44% paid by NavraInvest (note C) |
| Ongoing administration costs | Up to 0.3075% pa of the net asset value of the Fund (notes 1, 2 , 4 and 5) | Up to 0.3075% pa of the net asset value of the Fund (notes 1, 2, 4 and 5) | Up to 0.3075% pa of the net asset value of the Fund (notes 1, 2 , 4 and 5) |
| Buy spread | 15 basis points (0.15%) | 15 basis points (0.15%) | 20 basis points (0.20%) |
| Sell spread | 15 basis points (0.15%) | 15 basis points (0.15%) | 20 basis points (0.20%) |

| General | | | |
|------------------------------------|---|---|------------------------------------|
| The responsible entity and manager | NavraInvest Limited | NavraInvest Limited | NavraInvest Limited |
| Investment exposure | Australian Blue Chip Shares in the S&P/ASX 200 Index and cash | Australian Blue Chip Shares in the S&P/ASX 200 Index and cash | Blue Chip American shares and cash |
| Investment management style | Active, quantitative | Active, quantitative | Active, quantitative |
| Type of fund | Income | Income | Income |
| APIR code | NAV0001AU | NAV0002AU | NAV0003AU |
| Financial year end | June 30 | June 30 | June 30 |
| Distributions | Each calendar quarter | Each calendar quarter | Each calendar quarter |

Notes to the Retail Fund and the American Fund

- The minimum application amount includes the entry fee (if any) payable to your adviser.
- The entry fee, if any is paid to your adviser. It is not retained by NavraInvest. Your adviser may choose to charge you less than 4.4%.
- The ongoing adviser trailing commission includes GST and is paid to your adviser by NavraInvest. It is not paid from the Fund.

Note to the Wholesale Fund

- The minimum application, additional application and minimum withdrawal and balance requirements will not apply to IDPS products, master funds, wrap accounts and other similar investors.

Notes to the Retail Fund, the Wholesale Fund and the American Fund

- All fees take into account the amount of net GST payable by the Fund.
- The Fund benefits from the reduced input tax credits (RITCs) that the Fund is entitled to claim from the Australian Tax Office, equal to 75% of the GST component on the fee.
- Under the Constitution of the Fund, NavraInvest is entitled to charge either a management fee or a performance fee (but not both) and has elected to charge the management fee.
- Includes the costs of administering and promoting the Fund but does not include fees paid to NavraInvest for investment management services.
- For a more complete description of the fees and other costs, please refer to Fees and Other Costs on page 12.



NavraInvest Limited

NavraInvest Limited (“NavraInvest”) was incorporated on 15 July 2002 and has been granted an Australian Financial Services Licence by ASIC which includes the authority to operate registered managed investment schemes.

The NavraInvest approach to management of the Funds is based on:

- Investing in leading blue chip companies
- Active portfolio management utilising a quantitative investment process
- NavraInvest’s proprietary investment management software used as part of the investment process

Details of the investment management process are set out on page 4.

NavraInvest uses a proprietary investment management system called the NavTraDE Investment Management System. Further details of the system are set out in “Investment Management” on page 4.

Description of the Funds

Navra Blue Chip Australian Share Retail Fund and Navra Blue Chip Australian Share Wholesale Fund

Navra Blue Chip Australian Share Retail Fund (the “Retail Fund”) and Navra Blue Chip Australian Share Wholesale Fund (the “Wholesale Fund”) have the same investment objective. Both Funds achieve their investment objective through holding units in the underlying Navra Blue Chip Australian Share Investment Fund (the “Investment Fund”). The Retail Fund, the Wholesale Fund and the Investment Fund are registered with ASIC under the Corporations Act as managed investment schemes and NavraInvest is the responsible entity and manager of these three funds.

The Wholesale Fund has a higher minimum entry level and lower fee structure than the Retail Fund. Adviser commissions, in the form of entry fees and

trailing commissions, are allowed for in the Retail Fund but not in the Wholesale Fund and no Savings Plan is offered in the Wholesale Fund.

Through investment in the underlying Investment Fund, both the Retail Fund and the Wholesale Fund have exposure to Blue Chip Shares selected from the S&P/ASX 200 Index. The investment philosophy, objective, management processes and strategy outlined below are those of NavraInvest as manager and responsible entity of the Investment Fund and, by virtue of their investment in the Investment Fund, apply to both the Retail Fund and the Wholesale Fund.

Navra Blue Chip American Share Fund

Navra Blue Chip American Share Fund (the “American Fund”) is a managed fund, registered under the Corporations Act with ASIC as a registered managed investment scheme.

The American Fund invests in shares of leading companies listed in United States of America and cash.

NavraInvest believes that investing in Blue Chip American shares using the NavTraDE system is attractive for the following reasons:

- **The portfolio will be made up of shares in some of America’s largest and strongest companies (“Blue Chip American shares”) that are leaders in their share market sector**

Substitutions in the shares making up the portfolio are likely to be rare. Therefore the NavTraDE system will be continuously applied to, largely, the same portfolio of shares which will allow the system to reach its full potential for each share over a number of investment cycles.

- **The level of volatility in American shares is attractive**

Historically, Blue Chip American shares have displayed relatively high volatility compared to Australian Blue Chip shares. Higher levels of volatility are attractive to the NavTraDE system in order for it to function to its maximum potential.

• Blue chip American shares are highly liquid

The largest 50 companies in America have a market capitalization of over \$US5 trillion. The American share market is the largest single market in the world and the level of liquidity in Blue Chip American shares is beneficial for the active management style of the NavTraDE system.

For whom are the Funds best suited?

The Funds are suitable for investors seeking exposure to an actively managed portfolio of Blue Chip Shares.

The Funds are suitable as a stand alone investment and also as a means of further diversifying an investor's portfolio. The Funds could also be used to complement other sector funds such as property and fixed interest funds or be combined with balanced funds that are diversified across more than one asset class.

The Funds should be viewed as medium to long term investments of at least five years and are best suited to those investors seeking:

- An exposure to an actively managed portfolio of Blue Chip Shares and cash with share exposure spread across industry sectors;
- A potentially higher distribution return than would normally be achieved solely through the receipt of dividends from shares while retaining potential for some tax effective income through dividend imputation or other tax credits;
- The potential to generate capital growth over the long term which might provide protection from the effect of inflation on the purchasing power of their money.

The Funds may be more suitable to investors who are willing to accept the risk of a higher degree of volatility in distribution and capital growth investment returns. We suggest you consult a licensed financial adviser and taxation adviser prior to making a decision to invest.

Investors are also referred to "Investment Risks in the Funds" on page 7.

Investment Management

Investment philosophy

At NavraInvest we believe that quality blue chip companies that are financially strong, well managed and have a strong competitive position should, over time, generate significant capital growth and shareholder value. However, even the prices of Blue Chip Shares can be volatile, often as a result of mispricing when investor sentiment becomes overly optimistic or pessimistic.

We aim to identify these buying and selling opportunities and thereby capture additional returns by actively and successfully trading these shares. NavraInvest's proprietary investment management software, the NavTraDE Investment Management System, is our preferred platform for the timely identification of these buying and selling opportunities.

Investment objective

The objective of the Funds is to generate positive annual returns and quarterly distributed income. The Funds are not designed to track an index. Regular distributed income is possible as a result of active funds management utilising the NavTraDE Investment Management System.

Investment process

We employ four key stages of analysis:

- **Share Selection:** We research companies to identify high quality Blue Chip Shares. This results in an approved list of typically up to 40 companies.
- **Portfolio Construction:** We ensure the portfolios are well diversified across market sectors and in doing so the number of shares in which the Funds invest is generally reduced to between 20 and 35.
- **NavTraDE Investment Management System:** Our proprietary share trading system takes advantage of short to medium term share price



fluctuations to seek to capture returns above any longer term capital gains that might be achieved through a typical “buy and hold” investment approach.

- **Review:** We continue to research companies with a view to adding and removing shares from the approved list should a company’s underlying share fundamentals change.

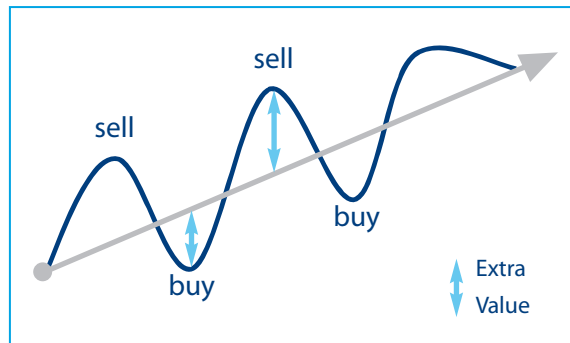
NavTraDE Investment Management System

The NavTraDE Investment Management System (the ‘System’) places particular emphasis on recent share price movements and trading volumes to identify trade signals. Typically, the System will indicate a “buy” when a share price is falling and a “sell” when a share price is rising although the timing of the signal and the transaction volume will be dependant on a variety of factors that the System takes into consideration. We refer to our share trading approach as Dollar Cost Trading.

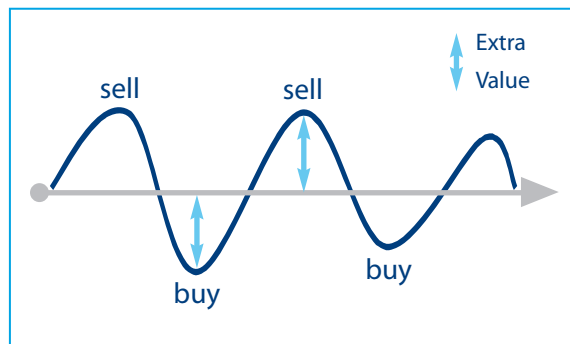
Dollar Cost Trading

Dollar Cost Trading (“DCT”) involves buying when investor sentiment has pushed the share price below its Equilibrium Price and locking in gains by selling once the situation has reversed, i.e. selling when investor sentiment has pushed the share price above its Equilibrium Price. The objective is to maximise returns from share price volatility in addition to the return that might be expected from the underlying share over the longer term. NavralInvest believes DCT is able to generate returns independently of the performance of the underlying shares.

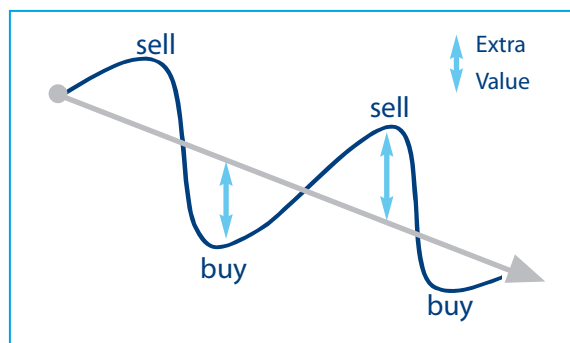
The following three examples are of buying and selling opportunities in three different market scenarios. For each scenario, the aim of DCT is to improve the buy and hold return by actively trading and locking in realised capital gains.



Rising Share Price



Steady Share Price



Falling Share Price

DCT is not to be confused with dollar cost averaging which is a popular approach used by investors to attempt to lower the average cost of a share by making a fixed dollar investment at regular intervals. DCT also aims to add additional value from share price volatility. Since it is a share trading approach it has the additional advantage of buying in response to price falls and by selling in response to price rises.

DCT also determines the amount and timing of share purchases and sales in response to share price changes. In other words DCT does not just buy set amounts at regular time intervals.

Shares are purchased when prices are below their Equilibrium Price and sold when prices are above their Equilibrium Price whereas dollar cost averaging will buy shares at any price. Shares held by the Funds are bought and sold on an incremental basis and at times the entire holding in any share may be sold depending on recent price movements.

Investment management style

The Navra investment management style is active, that is we do not attempt to track or replicate a share market index. However, by using a quantitative and systematic approach NavraInvest is able to minimise the subjectivity normally associated with an active style of share management providing the opportunity for a more consistent result over time. In this way, we believe our systematic approach is also less dependent on the input from a few key individuals than that of many other active share funds managers.

We consider our investment style has defensive characteristics because of contrarian features. Shares tend to be sold as a share price rises and bought as the share price falls. This enables the Funds to realise gains when prices are rising and may also provide a degree of protection for unit holders should share prices fall by lowering the average buy price. This approach relies on our premise that selected Blue Chip shares are sound investments and the share price will rise over the long term.

It is envisaged that there will be a relatively high turnover of shares in the portfolio, especially in

times of high volatility in share price movements. Consequently, we consider that the portfolio will generate realised gains which may lead to a relatively high level of distributable income. Losses may also be realised which may reduce any distributable income.

The NavTraDE System will only generate buy or sell signals for a particular company or companies if market and share specific conditions are appropriate. Accordingly, there could be rare occasions when the Funds have no holdings in any company on our approved lists in which case the portfolio will be 100% in cash. However, we consider this extremely unlikely to occur.

Additional investment information

Derivatives

The Funds' Constitutions permit investment in derivatives, however, our current policy is that the Funds will not invest in derivatives for any purpose.

Borrowing and gearing

The Funds' Constitutions permit borrowing for the purposes of funding redemption requests of unit holders or to pay or to reimburse the expenses and outgoings to which NavraInvest is entitled. However, our current policy is that the Funds will not use borrowings for any purpose.

Labour, environmental, ethical and social considerations

Labour standards and environmental, ethical and social obligations are not taken into account by NavraInvest in the selection, retention or realisation of the investments of a Fund.

What are the benefits of investing in the Funds?

The main benefits of investing in the Funds include:

- Professional investment management and expertise, implementation of our investment research process which we use to identify Blue Chip shares as well as our proprietary share trading investment approach;

- Access to investment opportunities and diversity normally beyond the reach of individual investors;
- The potential for strong income distribution returns from the Funds, which we intend to pay quarterly following the end of March, June, September and December; and
- Fast access to monies in the Funds through our redemption facility which in normal circumstances will usually pay any proceeds to you within five working days.

Risk factors

All investing involves some degree of risk and you should carefully consider the various risk factors that might arise as a result of an investment in the Funds. We aim to prudently manage risk. However there is no assurance that we will be successful. In addition a number of the risks associated with an investment in the Funds are outside our control. Risks may impact NavralInvest as your investment manager, the future performance of the Funds and the underlying Investment Fund. As a result the value of your investment in the Funds may fall, you may receive back less than the value of your original investment, and distributions of income might be lower than you expected or there may be no distributions at all. The actual results achieved by the Funds will be subject to a variety of influences and risk factors including, but not limited to, the following risks.

Economic and other macro risks

There is a range of economic factors which might impact on the performance of the Funds. These include changes in interest rates, exchange rates, overseas trading relationships, liquidity in financial markets, inflation, general share market conditions, government policy (including monetary and taxation policies), fluctuations in general market prices for property, shares, bonds and other tradeable investments and the general state of the domestic and world economies. These risks are normally beyond the control of NavralInvest and the companies in which the Funds invest.

Share market volatility

Prices of shares can be volatile meaning there could be large fluctuations in share prices from time to

time. As a result, the value of your investment in the Funds might rise or fall. This is one of the reasons we suggest a minimum investment time frame of five years as the impact of share price volatility on investment return tends to reduce over time.

Index risk

As an active manager, we do not attempt to replicate the performance of any index. Therefore there is a risk that the performance of the Funds may vary considerably from any of the key market indexes. This risk is reduced, but not eliminated, by maintaining a spread of shares and market sectors in the Funds.

Currency risk

As the majority of investments in the Navra Blue Chip American Share Fund (the "American Fund") will be denominated in US dollars, currency movements and the change in value relative to the Australian dollar can cause changes to the value of your investment in the American Fund. When the value of the Australian dollar falls against the US dollar the value of the assets held by the Fund in US dollars will be higher when converted back to Australian dollars, than if the Australian dollar had not fallen. However, if the value of the Australian dollar rises against the US dollar the converse will be true. The value of your capital investment in the American Fund will change accordingly.

Currency movements may also impact on your quarterly distributed income. When the value of the Australian dollar falls against the US dollar the value of the income distributed in Australian Dollars will be greater, and the converse is true.

Share specific risk

All companies have a number of risks associated with their business and activities, such as product risk, financial risk and risks created by management issues. A company's performance may be impacted by these risks. The returns of the Funds will be affected by the performance of the companies into which the Funds invest. We attempt to manage these risks by maintaining adequate diversification across shares and sectors and by only selecting quality Blue Chip Shares that meet or exceed our rigorous share selection guidelines.



Share trading and transaction risk

Active share trading may result in losses as well as gains and at times underperformance may be extenuated by a run of unsuccessful trades. Active share trading is also likely to result in higher brokerage and related acquisition and disposal costs, than would be the case with a “buy and hold” investment strategy. These risks are reduced by only investing in Blue Chip Shares that NavralInvest believes provide the opportunity for long term capital appreciation. NavralInvest reduces brokerage costs by using execution only services from brokers and by not running any soft dollar schemes, which means the Funds do not pay full service brokerage fees.

Income risk

The active investment nature of the Funds means there is likely to be a higher level of realised gains and/or losses by comparison with a buy and hold investment strategy. If this turnover results in realised losses the quarterly distributable income may be nil.

Liquidity risk

There is a risk that the volume of trading in the shares of companies held by the Funds might decline and this could inhibit the timely execution of buy and sell signals generated by the NavTraDE System. Liquidity risk is common to all fund managers that invest in shares and NavralInvest attempts to minimise this risk through our research process which identifies shares of companies with a high market capitalisation and sufficient liquidity.

Manager risk

There are a number of risks associated with the manager of a fund and the fund itself, such as:

Key personnel risk: This is the risk that the loss of key (usually investment) personnel may impact on the ability of a fund manager to produce good returns. The NavTraDE System plays a major role in our investment process and therefore we consider this risk to be somewhat less with us than with other active fund managers.

Systems risk: The majority of fund managers use computer systems in their investment process to some degree or other. Systems risk is the risk that a

computer system will not perform in the anticipated manner and losses may result. The NavTraDE System plays a major role in our investment process and therefore we consider this risk to be somewhat greater with us than with other fund managers. We have attempted to reduce this risk by undertaking significant back testing of the System over longer periods of historic share price data. However, as such back testing was conducted using historical shares prices there is no guaranty similar results will be obtained when the system is applied to current or future share market conditions.

Business risk: This is the risk that a fund manager’s business fails. This risk tends to be greater with new fund managers who have a relatively smaller level of assets under management which generate fees. Since our first fund launched in May 2003, the total funds managed by NavralInvest have grown to over \$200 million at 31 May 2007.

Fund risk

These are the risks associated with an investment in a particular fund. Such risks could be, for example, a change in the investment objectives of a fund, changes to the fees and expenses charged or even the termination of a fund. NavralInvest has undertaken to give unit holders of each Fund prior notice of changes to investment objectives, fees and charges. In the event a Fund is terminated, the net assets of that Fund will be distributed to unit holders on a pro rata basis. All assets of a Fund are held by an independent custodian and therefore the risk of loss from misappropriation or fraud is reduced.

Taxation risk

There is a risk that an investment in the Funds might result in a different taxation outcome for a unit holder than would be the case with a direct share investment. In certain circumstances the Funds may not be able to offset prior year tax losses or a unit holder may be subject to income tax on a distribution which, if received shortly after a subscription is made, might appear like a return of capital. These risks are generally outside NavralInvest’s control and arise primarily due to current taxation regulations.

Fund performance and distribution history

Fund size and performance

The size and performance of the Funds shown below are as at 31 May 2007. For the most recent Fund size or performance information, you can visit our website at www.navrainvest.com.au or contact Investor Services on 1300 656 131. Alternatively you may choose to contact your financial adviser.

We will provide to you free of charge on request a paper copy of any updated information. An electronic copy may also be downloaded from our website.

It is important to note that both growth and distribution performance returns may be volatile and may fluctuate significantly and quickly. The minimum suggested term for investment in the Funds is five years.

Fund performance

Please note: Past performance is not a guide to future performance.

| At 31 May 2007 | Retail Fund | | Wholesale Fund | | American Fund | |
|----------------------------------|-------------|-----------------------|----------------|-----------------------|---------------|-----------------------|
| | One Year | Three Year Annualised | One Year | Three Year Annualised | One Year | Three Year Annualised |
| Fund Size ¹ | \$122m | | \$81m | | \$4m | |
| Growth Return ² | 7.26% | 6.65% | 6.46% | 6.55% | 4.71% | N/A |
| Distribution Return ³ | 15.92% | 15.23% | 16.61% | 15.32% | 2.49% | N/A |
| Total Return ⁴ | 23.18% | 21.88% | 23.07% | 21.87% | 7.20% | N/A |

1. m = million.
2. Growth Return includes unrealised capital gains accrued by the Funds including any income and realised capital gains accrued but not yet distributed.
3. Distributions if any are calculated and paid quarterly and may be comprised of income and realised capital gains. Distribution Return means the Total Return after fees less the Growth Return.
4. Performance data is shown after fees and expenses and assumes reinvestment of income distribution and excludes any entry fees you may pay or taxation that you may pay on the distributions you receive. Performance over all periods is calculated using exit prices.

Asset allocation

| At 31 May 2007 | Retail and Wholesale Fund | At 31 May 2007 | American Fund |
|-------------------|---------------------------|-----------------|---------------|
| Australian Shares | 61% | American Shares | 72% |
| Cash | 39% | Cash | 28% |
| | 100% | | 100% |

Distribution histories

| | Retail Fund Distribution | Wholesale Fund Distribution | American Fund* Distribution |
|-------------------------------------|-----------------------------|--------------------------------|--------------------------------|
| | Cents per Unit | Cents per Unit | Cents per Unit |
| 30 September 03 | 3.2000 | 3.2000 | |
| 31 December 03 | 2.9981 | 3.0568 | |
| 31 March 04 | 2.2408 | 2.2222 | |
| 30 June 04 | 1.5453 | 1.5813 | |
| Financial Year to 30 June 04 | 9.9842 | 10.0603 | |
| 30 September 04 | 3.2620 | 3.2630 | |
| 31 December 04 | 3.4000 | 3.6000 | |
| 31 March 05 | 4.2000 | 4.5000 | |
| 30 June 05 | 4.7473 | 3.5585 | |
| Financial Year to 30 June 05 | 15.6093 | 14.9215 | |
| 30 September 05 | 5.8000 | 5.9000 | |
| 31 December 05 | 2.7000 | 2.8000 | |
| 31 March 06 | 3.5000 | 3.6000 | Nil |
| 30 June 06 | 5.7278 | 6.4431 | Nil |
| Financial Year to 30 June 06 | 17.7278 | 18.7431 | Nil |
| 30 September 06 | 2.20 | 2.20 | 1.10 |
| 31 December 06 | 3.30 | 3.30 | 1.50 |
| 31 March 07 | 4.50 | 4.50 | 3.00 |
| Nine months to 31 March 07 | 10.00 | 10.00 | 5.60 |

* The American Fund was launched in March 2006.

Fees and other costs

Consumer advisory warning

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 fund 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 contribution fees and management costs where applicable. Ask us 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)** website (www.fido.asic.gov.au) has a managed investment fee calculator to help you check out different fee options.

Significant fees and other costs

This table shows significant fees that you may be currently charged from the Funds. These fees may be deducted from your money, from the returns on your investment or from the Fund assets as a whole. Taxes are set out in another section of this PDS. You should read all of the information about fees and costs as it is important to understand their impact on your investment in the Funds.

| Type of Fee or Cost | Amount | How and when paid |
|---|--|---|
| Fees when your money moves in or out of the Funds | | |
| <i>Establishment fee</i> - The fee to open your investment. | Nil | NavraInvest does not charge establishment fee. |
| <i>Contribution fee</i> - The fee on each amount contributed to your investment. [It may also be referred to as an Entry fee]. | Retail and American Fund – up to 4.4% (including GST) of the amount invested. | Retail and American Fund – this is paid from your contribution on your application monies and equals the entry fee payable to your financial adviser. The amount of entry fee is negotiable between you and your adviser. See additional explanation of fees and costs on page 13. |
| | Wholesale Fund – Nil | Wholesale Fund – Not applicable |
| <i>Withdrawal fee</i> - The fee on each amount you take out of your investment. [It may also be referred to as an Exit fee]. | Nil | Not applicable. |
| <i>Termination Fee</i> - The fee to close your investment. | Nil | Not applicable. |
| Management Costs | | |
| The fees and costs for managing your investment | | |
| <i>Administration Costs</i> - They include the costs for establishing, promoting and operating the Funds and administration costs, for example, custody, unit registry, accounting, legal and other expenses incurred in operating the Funds. | Up to 0.3075% pa (including GST less RITC) of the daily net asset value of the Fund. For example if the daily net asset value of the Fund is \$10 million the total annual administration cost charged to the Fund will be the lesser of \$30,750 or the actual administration costs incurred. | Deducted by us from the assets of the Fund and reflected in the unit price of your investment. The fee is charged daily and paid monthly. |
| <i>Management Fee</i> – They also include the fees and costs for the investment management of the assets of the Funds. | Retail and American Fund 1.5% per annum (1.5375% including GST less RITC) of the net asset value of the Fund. | Deducted by us from the assets of the Funds and reflected in the unit price of your investment. The fee is charged daily and paid to us monthly based on the daily net asset value of each of the Funds. |
| | Wholesale Fund 1.1% per annum (1.1275% including GST less RITC) of the net asset value of the Fund. | |
| Service Fees | | |
| <i>Investment Switching fee</i> - The fee for changing investment options. | Nil | Not applicable. |



Additional explanation of fees and costs

Buy-sell spread

This is the difference between the entry and exit price. The buy-sell spread is retained by the relevant Fund to cover the transaction costs involved in buying and selling assets and to fairly spread them between investors, whether they are joining, leaving or remaining in the Fund. The buy-sell spread is reflected in the unit price and is therefore incurred whenever you invest or withdraw.

The current buy-sell spread for the Funds are:

| | Buy Spread | Sell Spread |
|----------------|------------|-------------|
| Retail Fund | 0.15% | 0.15% |
| Wholesale Fund | 0.15% | 0.15% |
| American Fund | 0.20% | 0.20% |

Reinvested distributions do not incur the buy spread.

Transaction costs

Transaction costs are the cost of buying and selling investments, such as brokerage and government charges payable. The costs are incurred in the day-to-day management of the Fund and are paid directly from the relevant Fund.

Underlying Investment Fund

Under the Constitution of the Investment Fund, NavralInvest as the responsible entity is entitled to charge a management fee of up to 1.5% (1.5375% including GST) per annum of the net asset value of the Investment Fund and to recover from the Investment Fund a range of costs incurred in administering the Investment Fund. NavralInvest has elected to waive this management fee and the right to recover the costs incurred in administering the Investment Fund in their entirety to ensure that there is no double charging in respect of the assets of the Retail Fund and the Wholesale Fund invested in the underlying Investment Fund.

Differential fees

We may negotiate fees with sophisticated,

professional or wholesale investors on an individual basis in accordance with the Australian Securities and Investments Commission (ASIC) class order relief.

Entry fee and commissions paid to your adviser

Retail Fund and American Fund

Your financial adviser may receive an entry fee of up to 4.4% (including GST) on placing your initial and any subsequent applications into the Retail Fund or the American Fund, including an application made via the Savings Plans. This fee is negotiable between you and your financial adviser and is paid from the entry fee that is deducted from your application money before your investment into the Retail Fund or the American Fund is made. The entry fee is paid to the entity that licenses your financial adviser. Your financial adviser has an obligation to disclose to you any amount of commission, fee or other advantage received in connection with the advice given to you in relation to the Retail Fund or the American Fund. While you may negotiate the amount of this fee with your financial adviser, 4.4% (including GST) is the maximum fee. Your financial adviser may also receive a trailing commission of 0.44% (including GST) per annum of the value of your investment in the Retail Fund and the American Fund. This fee is paid and borne by NavralInvest. You may also agree with your adviser to pay them service fees for extra advice and services. This payment is separate from the fees included in the Fund or those made by NavralInvest to your adviser. This fee is negotiable between you and your adviser.

Wholesale Fund

NavralInvest may pay commissions to financial advisers based on investments placed into the Wholesale Fund, however such commissions, if any, will be borne by NavralInvest and not by the Fund. If investment is made via IDPS Products, master funds, wrap accounts, superannuation master funds or multi manager and similar investment platforms, the fee structure, minimum investments and commission structures for financial advisers will be determined by the particular investment

platform chosen and will have no relationship to the fees charged within the Wholesale Fund. This information will be given to investors in an investment platform by the platform operator. It is not given by NavralInvest. Any platform access payments are borne by NavralInvest.

Exit Fees

No exit fees are charged when you withdraw or transfer units from either of the Funds or switch your investment from one Fund to another.

Administration costs

Under each of the Fund’s Constitutions we are entitled to be reimbursed for certain expenses which we properly incur in setting up, running and promoting the Funds. The Constitutions give us the right to recover all proper and reasonable expenses. However we have decided to cap the amount we charge to the Funds at 0.3075% pa (including GST less RITC) of the net asset value of the Funds. These costs are calculated daily, are reflected in the price of units in the Funds and are paid to us monthly in arrears.

Indirect Cost Ratio (ICR)

The ICR is the ratio of the Funds’ management costs (excluding transaction costs such as brokerage), that are not deducted directly from a unit holder’s account, to the total average net assets of the Fund over the period for which the ICR is measured.

The ICR for each of the Funds will include the administration costs of up to 0.3075% pa (including GST less RITC) of the net asset value of the Fund together with the management fee. The ICR for the Retail Fund and the Wholesale Fund for the last three financial years are as follows:

| | Retail Fund | Wholesale Fund | American Fund |
|-----------|--------------------|-----------------------|----------------------|
| 2003/2004 | Nil | Nil | N/A |
| 2004/2005 | 0.74% | 0.60% | N/A |
| 2005/2006 | 0.55% | 0.54% | N/A |

No ICR is available for Navra Blue Chip American Share Fund as it was only established in March 2006.

Change of fees

Under the Constitutions of the Funds, NavralInvest is entitled to charge either a management fee not exceeding 1.5% (excluding GST) or a performance fee (not exceeding 0.45% (excluding GST) for the Retail Fund and the American Fund and not exceeding 0.40% (excluding GST) for the Wholesale Fund). NavralInvest has elected to charge the management fee, not the performance fee.

Under each of the Fund’s Constitutions, NavralInvest is entitled, on three months’ notice to unit holders, to replace the management fee with a performance fee.

It is not the current intention of NavralInvest to charge a performance fee. No change will be made without the notice referred to above.

Example of annual fees and costs

Navra Blue Chip Australian Share Retail Fund and Navra Blue Chip American Share Fund

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

| | | |
|---------------------------|-----------|--|
| Contribution fee ** | 0 to 4.4% | For every additional \$5,000 you invest, you will be charged between \$0 and \$220 |
| PLUS Administration Costs | 0.3075% | For every \$50,000 you have in the Fund you will be charged \$153.75 each year |
| PLUS Management Costs | 1.5375% | And for every \$50,000 you have in the Fund you will be charged \$768.75 each year |

If you have an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees from:

EQUALS Cost of Fund

\$922.50 to \$1,142.50

The exact amount it will cost you will depend on the fees you negotiate with your financial adviser.

Navra Blue Chip Australian Share Wholesale Fund

Balance of \$2,500,000 with a contribution of \$250,000 during the year

| | | |
|---------------------------|----------------|--|
| Contribution Fee | Not applicable | Not applicable |
| PLUS Administration Costs | 0.3075% | For every \$2,500,000 you have in the Fund you will be charged \$7,687.50 each year |
| PLUS Management Costs | 1.1275% | And for every \$2,500,000 you have in the Fund you will be charged \$28,187.50 each year |

EQUALS Cost of Fund

If you have an investment of \$2,500,000 at the beginning of the year and you put in an additional \$250,000 during that year, you would be charged fees of **\$35,875** each year

** The levels of these fees are negotiated between you and your financial adviser. Apart from the minimum and maximum levels, NavraInvest does not set the levels of these fees.

These examples assume:

- there is no market movement and the additional investment is made at the end of the year
- the maximum administration costs are charged



Transacting with NavralInvest

How to Apply

To apply for units in the Funds please follow the instructions on how to complete the application form on page 27. Complete the application form which accompanies this PDS and mail it with your cheque payable as per the instructions on the application form. Applications for the Retail Fund or the Wholesale Fund received by 3:00 pm on a Business Day will be processed using the buy unit price for the relevant Fund calculated as at 5.00 pm on that day. Applications for the American Fund received by 3:00 pm on a Business Day will be processed using the buy unit price calculated on the next Business Day following an open day on major share exchanges in the USA.

Applications for the Retail Fund and the American Fund

The minimum initial application, including any entry fee, is \$1,000. When we receive your application, we deduct from your investment amount any applicable entry or contribution fee.

If you already have units in the Retail Fund or the American Fund, additional applications must be for at least \$500 unless the additional investment is via the Savings Plan. To make an additional application complete the application form and post it with your cheque payable as per the instructions on the application form.

An entry or contribution fee may apply to additional applications (please see “Entry fee and commissions paid to your adviser” on page 13).

Savings Plan for retail investors

The Savings Plan enables investors in the Retail Fund or the American Fund to have a nominated amount automatically deducted each month from your account with a financial institution anywhere in Australia and automatically invested into the Retail Fund or the American Fund.

If you invest through the Savings Plan, the minimum initial application is \$1,000. You may then invest with as little as \$100 per month. You can change

the amount of your monthly contribution at any time. Your adviser may receive an entry fee of up to 4.0% (4.4% including GST) on your monthly Savings Plan investments.

Deductions will be made on or around the 15th of each month. Please note that deductions will be made only from ATM linked accounts and cheque accounts, not passbook savings accounts. Some institutions may charge you fees for these transactions. Deductions will commence in the month following the acceptance of your application.

To take advantage of the Savings Plan, complete the Savings Plan direct debit authority in section 6 on page 2 of the application form and forward it together with your cheque for your initial application to your licensed adviser or to NavralInvest at the address shown on page 28.

You may withdraw from the Savings Plan at any time by ceasing to make contributions and notifying NavralInvest in writing. If you wish to restart your Savings Plan please contact NavralInvest.

Savings Plan Direct Debit Customer Service Agreement

By electing to take advantage of the Savings Plan, you authorise us to debit a regular amount from your nominated bank account under the terms and conditions set out below.

Terms and Conditions

These terms and conditions outline our service commitment to you, in respect of the Direct Debit Request (“DDR”) arrangements made between NavralInvest Limited (user id 249817) and you. They set out your rights, our commitment to you and your responsibilities to us.

Initial terms of the arrangement

Deductions will be made on or around the 15th of each month and will commence in the month following the acceptance of your application.

Our commitment to you

We will send you a quarterly transaction statement showing your account transactions for the period and

the opening and closing unit holding in the Fund you invested in.

Where the due date is not a Business Day we will draw the amount on the following Business Day.

We will give you at least 14 days' notice if we need to change your direct debit arrangements.

We may charge a dishonour fee for drawings that are returned unpaid by your nominated financial institution. Where we are advised of returned drawings we will contact you to allow you to arrange an alternative payment method. We reserve the right to cancel your Savings Plan in the event that your payment is dishonoured.

We will keep all information relating to your nominated financial institution account confidential, except where required for the purposes of conducting direct debits with your financial institution or where we are compelled to disclose this by law.

Your commitment to us

You must ensure that your nominated account can accept direct debits.

You must ensure that there are sufficient funds available in the nominated account to meet the monthly debit to your account.

You must arrange a suitable alternate payment method if the debit authority is either stopped by you or by the nominated financial institution.

You must ensure that all account holders on the nominated account sign the Savings Plan direct debit request authority.

You need to let us know as soon as possible, if the nominated account is transferred or closed, or your account details changed.

Changes to your Savings Plan Direct Debit

Any of the following changes can be submitted to us via the Savings Plan Direct Debit Request Authority form:

- Stopping a particular payment

- Deferring a payment
- Suspending future payments
- Cancelling the Savings Plan
- Altering the amount

If you have any questions on the operation of the Savings Plan or how to make changes to it, please do not hesitate to call NavralInvest on 1300 656 131.

Applications for the Wholesale Fund

The minimum initial application is \$2,500,000. This minimum application will not apply to IDPS products, master funds, wrap accounts and other similar investors.

If you already have units in the Wholesale Fund, additional applications must be for at least \$250,000. To make an additional application complete the application form and post it with your cheque payable as per the instructions on the application form.

Withdrawing your investment

The usual time to process a withdrawal request for the Funds is within five Business Days of receiving your request.

Withdrawal requests for the Retail or Wholesale Fund received by 3:00 pm on a Business Day will be processed using the sell unit price calculated as at 5.00 pm on that day. Withdrawal requests for the American Fund received by 3:00 pm on a Business Day will be processed using the sell unit price calculated on the next Business Day following an open day on major share exchanges in the USA.

Under the Constitutions of the Funds, withdrawal payments must be made within 30 days of receipt of the request unless there are circumstances affecting NavralInvest's ability to realise sufficient assets to satisfy the withdrawal request in which case the time limit may be extended.

How to withdraw your investment from the Funds

You can withdraw part or all of your investment by written request or by completing a withdrawal form available from our website and mailing this to:

Navra Blue Chip Share Funds
NavraInvest Limited
Reply Paid 67 Royal Exchange
SYDNEY NSW 1224

The withdrawal request must be signed by the appropriate signatories and must include your name, unit holding number, the number of units or the dollar value to be withdrawn and instructions on how you would like the proceeds to be paid.

The minimum amount that you can withdraw from the Retail or American Fund is \$500, provided your balance in the Retail or American Fund is more than \$500 after the withdrawal. A withdrawal is effected by redemption of units in the relevant Fund.

The minimum amount that you can withdraw from the Wholesale Fund is \$10,000, provided your balance in the Wholesale Fund is more than \$1,000,000 after the withdrawal. A withdrawal is effected by redemption of units in the Wholesale Fund.

Payment of your withdrawal proceeds can be made as follows:

- Credit to your account at a previously nominated financial institution
- Credit to another account by mailing a signed request
- A cheque payable to you mailed to your previously nominated address

Switching between the Funds

As your investment needs change, you may switch all or part of your investment to another Fund (subject to the initial investment and minimum balance requirements of each of the Funds). A switch involves a withdrawal from one Fund at the exit price and an investment into another Fund at the entry price. A switch may have tax consequences.

Additional information about the Funds

Master Trusts and Wrap Accounts

Indirect investors investing through an IDPS or

IDPS-like scheme (often referred to as master trusts, wrap accounts, nominee or custody services) do not complete the application form in this PDS and do not become investors in the Funds. As such they do not acquire the rights of an investor in the Funds. The operator of the IDPS scheme acquires such rights and can exercise, or may decline to exercise, them on behalf of indirect investors. Indirect investors do not receive income or reports directly from NavraInvest nor are they entitled to attend unit holder meetings or participate in the winding up of the Funds.

Application and redemption amounts and processing times will depend on the internal administrative procedures of the IDPS or IDPS-like scheme. The amount and timing of distributions you may receive as an indirect investor may also differ from those received by direct investors and from those referred to in this PDS. You should refer to the documentation relating to your IDPS or IDPS-like scheme for further information including details of any additional fees and charges that may apply.

Related Party Transactions

The Retail Fund and the Wholesale Fund gain their exposure to Australian Blue Chip Shares by investing into units of the NavraInvest Blue Chip Australian Share Investment Fund (the Investment Fund). There is no double charging of fees or charges whatsoever between the Retail Fund, the Wholesale Fund and the Investment Fund.

NavraInvest may become involved in related party transactions, such as investing in another fund for which NavraInvest or its associate is the responsible entity, manager, trustee or promoter. NavraInvest and its associates may receive fees from these arrangements. Any such arrangements are subject to strict legal and compliance guidelines to ensure that the interests of unit holders in the Funds are protected including that they are made on arm's length terms and in the ordinary course of business.

Soft Dollar Arrangements

As a matter of principle NavraInvest does not enter into Soft Dollar Arrangements as we believe

that such arrangements are not in the overall best interests of our unit holders.

Unit price calculation

Unit prices are generally calculated each Business Day.

A Fund's unit price is calculated by dividing the net asset value of the Fund by the number of units on issue in the Fund. The buy unit price is determined by adding the buy spread to the resulting amount. The sell unit price is determined by deducting the sell spread from that amount. Please refer to details of buy sell spread on page 13.

We operate on a forward pricing model. Unit prices for a Business Day are calculated based upon the net asset value and number of units on issue at the end of that Business Day, and are adjusted for any ongoing fees, expenses and the buy/sell spread. Units prices are generally available the next Business Day.

NavralInvest maintains a policy describing how any discretions are exercised when calculating unit prices and this document is available on request from us at no charge.

Suspension of dealing

Under the Constitutions NavralInvest may suspend dealings in units in any of the Funds when there are market conditions or other circumstances which in the opinion of NavralInvest make it impossible, undesirable or impractical to value any of the Funds or to realise their assets at normal pricings.

Income calculation and distribution

In order to maintain the Funds as non tax paying entities, each Fund's net income will be fully distributed to investors rather than accumulating as capital growth. In practice, this means that a significant portion of the growth in each Fund will be distributed as income each quarter (see "Taxation Considerations" on page 20).

Reinvestment and Distribution

There is the facility to reinvest distributions from a Fund into additional units in that Fund (see application form). If no election is made on the application form to receive distributions in cash, distributions will be automatically reinvested in full.

Net income is distributed quarterly based on the number of units you hold in proportion to the number of units held by all unit holders, at the distribution date. Distributions are not pro-rated for investors who were not unit holders for the whole quarter. Distributions are calculated on the last day of the last month in each calendar quarter and are normally paid within 14 days.

You can choose to have your distribution:

- reinvested in full into additional units in the Fund from which the distribution was made, with no application fee or transaction costs payable (no buy spread). Additional units are purchased using the Net Asset Value per unit next determined after the close of business on the last day of the distribution period
- paid in full directly to your nominated account at an Australian bank, building society or credit union, or
- partly reinvested into additional units and partly paid directly to your nominated account at an Australian bank, building society or credit union.

Please nominate your choice of income distribution on the application form. If you do not make a choice, then your distributions will be reinvested in full into additional units in the Fund.

Fund performance calculations

In order to measure the investment performance of the Funds over any period of time, the sell unit prices are used at the beginning and the end of that time period. Distributions over the period (if any) are treated as reinvested.

No allowance is made in the calculation of the investment performance for entry fees or for taxation that you may pay on the distributions you receive.

Information you will receive

We will keep you informed about your investment by sending you the following:

When you invest or withdraw funds

Confirmation of each investment or withdrawal (excluding investments via the Savings Plan).

Internet access

If you have requested on line access to your account via the internet when completing your initial application, you will receive a Personal Identity Number (PIN) that will enable you to access information on your account.

Quarterly

A statement showing your transactions including investments, redemptions and income distributions during the quarter, the number of units held at the beginning and end of the quarter and the value of your investment at the end of the quarter. A statement showing the details of the investments made via the Savings Plan.

Annually

A tax statement containing a summary of distributions received and the tax components for the year ended 30 June.

A capital gains statement if you have redeemed any units during the financial year.

An annual financial report detailing the financial position and performance of the Fund you invested in over the financial year. (You can choose whether you would like to receive the report - see section 8 on the Application Form).

If you provide your email address on the application form, we will endeavour to communicate with you by email wherever possible.

Additional Information

If you require further information about the Funds, please contact NavraInvest. The information contained in the PDS may be updated or replaced

from time to time. A copy of the current PDS is available free of charge on request by visiting our website, www.navrainvest.com.au or by calling 1300 656 131. You should keep a copy of the current PDS for future reference, including when making decisions about additional investments or switching between the Funds.

How do you access personal information?

If you have requested online internet access to your account, you will be able to access personal information at www.navrainvest.com.au

Alternatively call Investor Services on 1300 656 131 and quote your account number. You will be asked to supply other pertinent details for security purposes.

Information about the Funds, including performance figures, is also available on our internet site, www.navrainvest.com.au

Taxation considerations

The following comments are a general summary of the taxation matters applicable to the Funds and to unit holders. The comments are based on information that is current at the date of issue of this PDS. Given the complexity of the taxation legislation, NavraInvest strongly recommends that investors consult their taxation adviser before making an investment decision.

Taxation of the Funds

It is the intention of NavraInvest, in our capacity as responsible entity of each of the Funds, to distribute to unit holders the taxable income received by the Funds in order to maintain the Funds as non tax paying entities. Thus it will be unit holders that will be assessed for tax on distributions they receive from the Funds, regardless of whether the distribution is received as cash or is reinvested into additional units of the Funds.

Under the Foreign Investment Fund regime, unrealised income in respect of certain foreign companies and trusts held by the Funds may be required to be included in the net income of the Funds at the end of the financial year.

In the event the Funds incur a loss in a year for tax purposes, that loss cannot be distributed to unit holders. However, the loss may be taken into account in determining the taxable income of the Funds in a subsequent year, as long as the relevant statutory provisions regarding trust loss rules are satisfied.

The Funds are entitled to claim reduced input tax credits (RITCs) from the Australian Tax Office for 75% of the GST included in any fees and charges, thereby reducing the effective rate of GST on these fees and charges to 2.5%. These RITCs have been taken into account in calculating the management fee and other costs disclosed in this PDS.

Taxation of Unit holders

At the end of each financial year, unit holders will receive a tax statement with a guide to help them complete their tax return.

All tax liability on distributions and withdrawals from the Funds rests with unit holders and therefore we again recommend that investors seek professional advice prior to investing in the Funds.

Income Tax

The active investment nature of the Funds means that distributions made by the Funds, which will include realised gains on the disposal of the Funds' investments, generally will be assessed as income and not under the capital gains tax provisions of the Income Tax Assessment Act 1936.

Unit holders will be assessed on their share of the taxable income of the Funds to which they are presently entitled. This is regardless of whether unit holders receive the distribution from the Funds in cash or the distribution is reinvested into additional units of the Funds.

Distributions from the Funds may include franked dividends and foreign dividends. The distribution, any franking credits or foreign tax credit, will generally be included in a unit holder's assessable income and taxed at the unit holder's marginal rate. Franking credits may be used to offset any tax payable on income for that year. Excess franking

credits are refundable to certain taxpayers. The existing 45 days holding rule may restrict the ability of the Funds to pass through franking credits to unit holders.

Foreign tax credits may be used to offset the tax payable on the net foreign source income to which the foreign tax credits relate. Foreign tax credits not so utilised can generally be carried forward for a period of five years.

Capital Gains Tax (CGT)

The disposal of units, either by redeeming (including by switching from one fund to another) or transferring units, may lead to a CGT liability for the unit holder on any gain made. If the units were owned for more than 12 months by an individual or complying superannuation entity, the discount method of calculating the capital gain will be available to the unit holder. However, if a unit holder is carrying on a business which involves trading in units they may be liable to pay tax on any gains made on the disposal of units as ordinary income.

Any capital losses arising on the disposal of units may be able to be offset against capital gains arising in that year or in subsequent years.

Tax File Numbers

The collection of a unit holder's Tax File Number ("TFN") is authorised and its use is strictly regulated, by law. Unit holders are not obliged to quote their TFN, or claim an exemption, on the application form. If unit holders choose not to quote their TFN or claim an exemption, tax will be deducted from any distribution at the highest marginal tax rate plus the Medicare levy. Business taxpayers may quote an Australian Business Number instead of a TFN.

Non-resident investors

We may be required to withhold or deduct tax if you are a non-resident investor. Non-resident investors may also be subject to tax on distributions in their country or residence for tax purposes and may be entitled to foreign tax credits for the tax we have withheld or deducted.



We recommend that non-resident investors seek professional advice from a taxation adviser in relation to their particular circumstances prior to investing in the Fund. Individual tax consequences will differ from those outlined above in this PDS for resident investors.

Funds' Auditor

Each Fund has a registered company auditor to audit and report on the accounts and the compliance plan and other matters as required by the Corporations Act. NavraInvest may replace the auditor of any of the Funds in accordance with the Corporations Act. The auditor may also voluntarily retire by notice to NavraInvest.

Funds' Constitutions and unit holder rights

Fund Constitutions

Each Fund was formed and governed by a Constitution. The Constitution of each Fund, together with the Corporations Act, determine the relationship between NavraInvest and unit holders of the relevant Fund and sets out the legal rights, duties and obligations of NavraInvest and unit holders of the relevant Fund. They include:

- The rights, interests and liabilities of unit holders
- The duties and obligations of NavraInvest as the responsible entity
- Investment, valuation and borrowing powers
- Fees and recoverable expenses
- Unit issue and redemption procedures
- Convening and conduct of unit holder meetings
- The duration and termination of the Funds
- Rights to distributions
- Transferring units to another party

This PDS contains only a summary of some of these provisions and should, in this respect, be seen only as a guide.

NavraInvest may vary the Constitutions if NavraInvest reasonably believes the variation does not adversely affect unit holders' rights. Where that the variation may adversely affect unit holders' rights, the variation must be approved by 75% of the votes cast by unit holders on the resolution at a meeting of unit holders.

The Constitutions have been lodged with ASIC and can be inspected at the NavraInvest office during business hours or a copy can be emailed or mailed to unit holders on request. ASIC takes no responsibility for the contents of the Constitutions.

Cooling off period

Unit holders have the right to change their mind and withdraw their initial or subsequent investment (excluding automatic reinvestments) within 14 days of the earlier of the fifth day after the issue of the units and the day of receiving confirmation that their investment has been accepted and processed. If you wish to withdraw you must contact NavraInvest at the address shown in this PDS. If the withdrawal request is received within the 14 day period, the investment will be refunded to you. The refund may be adjusted to reflect any changes in unit prices (positively or negatively) and any taxation costs the respective Fund has incurred.

Rights attaching to units

Identical rights attach to all units in each of the Funds including the rights:

- To receive any distributions
- After termination of the relevant Fund, to receive a distribution of the net proceeds of sale of the Fund's assets according to the number of units on issue at termination
- To transfer units to another person in accordance with the Constitution
- On death, for units to pass to a surviving joint holder, or otherwise to the unit holder's estate
- To a limitation of liability to the amount of the price payable on purchase of the units plus (in the case of the Retail Fund or American Fund)

the entry fee. However, the effectiveness of such limitations has not been tested before superior courts

- To call a meeting of unit holders in accordance with the Corporations Act and the Constitution of the relevant Fund, and
- To receive within 90 days after the end of each financial year from NavralInvest an annual statement of the Fund's accounts with the auditor's report.

Privacy – use and disclosure of personal information

We require personal information to be able to identify you uniquely and to provide you with appropriate information and the best standards of service. We may also have to collect certain personal information to comply with anti-money laundering and related legislation. The privacy of your personal information is very important to us. A copy of our privacy policy is available to you on request or may be viewed at www.navrainvest.com.au

We may disclose personal information to other parties for certain purposes such as outsourced unit registry and administration services and bulk mailing to unit holders. We may also be obliged to disclose personal information under anti-money laundering and related legislation. The Privacy Act 1988 (as amended) governs the use of a person's personal information. The Act sets out principles governing the ways in which organisations should treat personal information. We are committed to managing personal information in accordance with the Act.

The compliance plans

Compliance plans have been prepared for the Funds to ensure compliance with the Corporations Act in relation to managed schemes and with the Constitutions. The compliance plans are designed to document compliance risks and the monitoring process and to provide a basis for compliance adherence and auditing. A compliance committee with two external compliance members has been appointed for each compliance plan. The compliance

plans have been lodged with ASIC and are independently audited.

Funds' custodian

We have engaged an independent custodian to hold the assets of the Funds.

The role of the custodian is limited to holding assets of the Funds. The custodian has no supervisory role in relation to the operation of the Funds and has no liability or responsibility to you for any act done or omission made in accordance with the Custody Agreement.

The rights of NavralInvest Limited

NavralInvest may rely on the advice of barristers or solicitors, information supplied by bankers, accountants, valuers and other experts.

NavralInvest is not liable to any unit holder for making tax or similar payments. NavralInvest is entitled to be indemnified out of the property of the Funds for any liability incurred by it in properly performing any of its duties or exercising any of its rights or powers in relation to the Funds or in attempting to do so. NavralInvest is not liable to unit holders to any greater extent than the assets held in the Funds, or received, or to be received by it, except to the extent of any fraud, negligence, default, breach of trust or duty by NavralInvest.

NavralInvest holds the assets of the Funds in accordance with ASIC requirements, and has appointed an independent custodian to hold the assets of the Funds, as its agent.

NavralInvest may retire subject to at least 3 months' notice, effective on appointment of a new responsible entity. Any retirement and appointment of a replacement responsible entity must be in accordance with the Constitutions of the Funds and the Corporations Act.

The right to change terms and conditions

NavralInvest reserves the right to change the terms and conditions set out in this PDS, as applicable to the Funds, by giving 30 days' written notice to



unit holders of the relevant Fund. If a unit holder withdraws before the date on which the change takes effect, the unit holder will not be bound by the changes.

Funds' Accounts

NavraInvest is responsible for the maintenance of the accounts of the Funds in accordance with the Corporations Act. The annual financial report of each of the Funds is audited and is sent to unit holders of the relevant Fund after the end of each financial year unless a unit holder chooses not to receive the report. (See section 8 on page 3 of the application form).

Unit holders can obtain a copy of the annual financial report for the Fund in which they hold units from NavraInvest free of charge over the internet or by telephoning NavraInvest on 1300 656 131 Monday to Friday between 9:00am and 5:00pm Sydney time (excluding NSW public holidays).

Investor services

Information

Further information about the Funds is available from NavraInvest by any of the following means:

- Internet: www.navrainvest.com.au
- Telephone: 1300 656 131
- Mail to our office at Reply Paid 77655
North Sydney NSW 2060
- Visit NavraInvest's office at Suite 1, Level 5,
65 Berry Street, North Sydney NSW 2060.

Office hours are 9:00am to 5:00pm. Please do not mail applications to this street address.

Alternatively unit holders may wish to contact their financial adviser.

Complaints

If NavraInvest receives a complaint from a unit holder, NavraInvest will deal with the complaint in accordance with the Constitution of the relevant

Fund and the compliance plan of the relevant Fund. NavraInvest will notify the unit holder of our decision in relation to the complaint and any further avenues of recourse.

NavraInvest is a member of the Financial Industry Complaints Service ("FICS"), which is an independent body established to resolve complaints in the financial services industry. If NavraInvest has not resolved a unit holder's complaint within a reasonable time or the unit holder is not satisfied with the determination of the complaint, the unit holder can refer the matter to FICS for resolution. Contact details are:

Financial Industry Complaints Service
PO Box 579, Collins Street West
Melbourne VIC 8007
Phone 1300 780 808

Reporting requirements and copy documents

As a disclosing entity under the Corporations Act, the Funds are subject to regular reporting and disclosure obligations to ASIC. Copies of documents lodged with ASIC by the Funds may be obtained from, or inspected at ASIC. Alternatively, on request, NavraInvest will send to unit holders of the relevant Fund, free of charge, copies of the documents by email (or by post if no email address is provided).

The documents are:

- The annual financial report most recently lodged with ASIC by NavraInvest on behalf of each of the Funds
- Any half-yearly financial report lodged with ASIC by NavraInvest on behalf of each of the Funds after the lodgement of that annual financial report and before the date of this PDS.

Directors of NavraInvest Limited

This PDS has been authorised for issue by the directors of NavraInvest Limited.

Stephen Navra – Chairman and Managing Director

With more than 20 years of accounting, stock broking and property investment experience behind him, Steve is an innovator in the ever changing property and investment market. Since the early 1990s Steve has been providing educational and ongoing support for investors. Steve's executive role is to maintain the NavTraDE System and to promote the Funds to potential investors.

Louis Yu - Finance Director

Louis is a Fellow of the Chartered Association of Certified Accountants in England and Wales. Louis has over 19 years experience in the funds management industry through work in Hong Kong and Australia. Prior to joining NavraInvest, Louis worked for 10 years at INVESCO Australia Limited in a senior position with accounting and unit trust administration responsibilities.

Bleddyn Gambold - Non-Executive Director

Bleddyn is a Chartered Accountant with a BA (Hons) Degree in Accountancy. He qualified in the United Kingdom and has over 20 years experience in the financial services sector, specialising in trustee operations and funds management. Bleddyn is a director of Columbus Investment Services Limited, a company which provides specialist responsible entity and trustee services to managed investment schemes in Australia.



Glossary of terms

ASIC

The Australian Securities and Investments Commission.

ASX

Australian Stock Exchange Limited.

Basis Point

A basis point is 0.01 of 1%. i.e. 0.01%. For example 15 basis points equals 0.15%.

Blue Chip Share

A share of a large, well established company with a solid record of stable earnings and/or dividend growth and with a reputation for quality management and/or products. A blue chip share will also be widely held by investors.

Business Day

A day other than a Saturday or Sunday or public holiday in Sydney on which trading banks are generally open for business and the ASX is open in Sydney or such other day or days as determined by NavraInvest.

Buy/sell spread

The difference between the buy and sell prices of a unit in a Fund. The difference is the sum of the buy spread and the sell spread.

Corporations Act

The Corporations Act 2001 (Cth) and any regulations and other instruments under it and consolidations, amendments, re-enactments or replacements.

Equilibrium Price

The price where both volatility and volume has returned to a 'normal level' as determined by the NavTraDE system.

Fund or Funds

The Navra Blue Chip Australian Share Retail Fund ASRN 104 384 976, the Navra Blue Chip Australian Share Wholesale Fund ARSN 104 384 894, the

Navra Blue Chip American Share Fund ARSN 116 558 948 or all.

Index

S&P/ASX 200 Price Index or Dow Jones Industrial Average Index.

Indirect Cost Ratio (ICR)

A measure of the total ongoing fees and expenses (excluding transaction costs such as brokerage) payable by the Funds, expressed as a percentage of the average size of the Funds over the period in which the ICR is measured. The calculation of the ICR will be in accordance with the Investment and Financial Services Association (IFSA) practice standard.

Investment Fund

The Navra Blue Chip Australian Share Investment Fund ARSN 104 385 122.

Net Asset Value

The sum of all the assets of the Fund, adjusted for all liabilities of the Fund apart from amounts attributable to current unit holders.

S&P/ASX 200 Index

An index of 200 companies listed on the ASX.

Savings Plan

The Savings Plan enables investors in the Retail Fund and the American Fund to have a nominated amount automatically deducted each month from an account with a financial institution anywhere in Australia and automatically invested into the Retail Fund or the American Fund.

Soft Dollar Arrangements

Payments or other benefits for services by commissions generated from trading rather than fees.

How to complete the application form

General

- Please complete the form using a black ballpoint pen
- Please ensure that you complete name and address details for all applicants
- Company applicants should include a contact name and ACN, ABN or ARBN as applicable
- Individual applicants should be 18 years of age or over
- If you have an existing account and would like to add to that account, please note your existing account number
- You can invest on a minor's behalf by putting their name in the account designation box. The unit holder will not, however, be the minor.

Tax File Number (TFN)

You are not obliged to provide your TFN, ABN or claim an exemption. However, if you do not do so we are required to deduct tax from distributions of income made to you at the highest marginal rate, plus Medicare Levy. Tax File Numbers for minors will not be accepted. If you are claiming an exemption write the full name of the benefit you receive. eg. age pension, service pension, special benefit pension etc.

Application instructions

Retail Fund and American Fund

The minimum application amount is \$1,000. Please cross your cheque "not negotiable" and make it payable to "Navrafunds application account". Cash is not accepted. For Savings Plans the minimum additional application amount is \$100 per month. Please see sections 8 - 10 and complete the Savings Plan direct debit authority in section 6. These application amounts include the entry fee (if any) payable to your adviser.

Wholesale Fund

The minimum application amount is \$2,500,000 (except for IDPS products, master funds, wrap accounts and other similar investors). Please cross your cheque "not negotiable" and make it payable to "Navrafunds application account". Cash is not accepted.

Distributions and redemptions

If you elect to have distributions or redemptions paid directly into your bank, building society or credit union account, please ensure that you complete all details of the institution in full. Please indicate the percentage of the distribution that is to be reinvested and/or paid directly into your nominated account. Please note, in the absence of a nominated option, distributions will be automatically fully reinvested into additional units in the particular Fund. We will also use these bank account details to pay your redemption proceeds, unless otherwise instructed.

Account operating instructions

Please indicate how you wish your account to be operated. In the case of joint accounts, you may request joint signatures or allow either signatory to sign. For a company or trustee please indicate your operating instructions by ticking the appropriate box.

Online internet access

Please indicate if you require online enquiry access to your account. Please see page 20 for more details on how this facility works and our web site on the internet at www.navrainvest.com.au.

Entry fee for the Retail Fund and the American Fund

As detailed on page 13, the total entry fee when investing in the Retail Fund or the American Fund is paid as commission to financial intermediaries.

Signature(s)

You should ensure that you have read the attached PDS before signing the application. Joint applications must be signed by all persons. If the application is being signed under Power of Attorney please enclose a copy of the Power of Attorney with this application.



Lodging the application

Please mail the completed application form together with your cheque to :

Navra Blue Chip Share Funds
NavraInvest Limited
Reply Paid 67
Royal Exchange
Sydney NSW 1224

Units in the Navra Blue Chip Share Funds will only be issued on receipts of this application form, issued together with the PDS dated 1 July 2007. Please ensure you sign in section 10 of the application form.

If you have any queries in completing the application form please call your financial adviser or NavraInvest on 1300 656 131.

Identification Requirements

Under Australian anti-money laundering and counter-terrorism financing legislation, certain due diligence must be conducted on any prospective investor before units in the Fund may be issued to that investor. The due diligence includes verifying a prospective investor's identity. Applications made without providing this information cannot be

processed until all the necessary information has been provided. The AML/CTF compliance program will also include ongoing customer due diligence which may require the Responsible Entity to collect further information.

If you are applying through a financial adviser, your adviser will assist you in providing the necessary verification documents prior to lodging the application. If you are submitting the application directly (without the assistance of a financial adviser), please refer below to the information that should be provided with your application.

Requirements for Individuals / Sole Traders

If you are an individual investor or sole trader, you will need to give us certified copies of one document from column [1] OR one document from each of column [2] AND [3]:

Please note : that for Trusts, Partnerships, Associations and Co-Operative Applicants, if you are required to complete the individual section of the application then you must also provide the documents required for an individual applicant.

Reliable and Independent Documentation

- DO NOT SEND ORIGINALS; CERTIFIED COPIES ONLY

| Column [1] Primary Photographic (one proof required) | OR Column [2] Primary Non-Photographic (one proof required) | AND Column [3] Secondary Identification (one proof required) |
|--|---|---|
| <ul style="list-style-type: none"> • Australian Driver's licence • Valid Australian passport # • State or Territory proof of age card • Foreign Passport* • National Id Card issued by a foreign government containing a photograph & signature* • Foreign Driver's licence with photograph & date of birth* | <ul style="list-style-type: none"> • Birth certificate • Commonwealth citizenship certificate • Pension card • Health card issue by Centrelink • Foreign citizenship certificate or birth certificate* | <ul style="list-style-type: none"> • Commonwealth, State and Territory financial benefits notice (less than 12 months old) • Tax notice (less than 12 months old) • Local utilities provider notice (less than 3 months old) |

A passport that expired within the two years prior to submitting the application form will also be accepted.

*Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

There is a wide range of persons who may certify your documents. A list is given below:

Who may certify your documents as being a true and correct copy of the original

- Judge
- Lawyer
- Notary Public
- Magistrate
- Justice of the Peace
- Police Officer
- A Registrar or Deputy Registrar of a court
- Finance company officer*
- Full-time employee of a bank*
- A member of the Institute of Chartered Accountants in Australia, CPA or NIA membership*
- Full-time employee of a post office*
- Authorised representative of a holder of an Australian financial services licence*
- Australian Consular Officer or Diplomatic Officer

* Those persons marked with an asterisk * are required to have two or more years of continuous service or membership.

The eligible certifier must include the following information:

- Their full name
- Address
- Telephone number
- The date of certifying
- Capacity in which they are eligible to certify, and
- An official stamp/seal if applicable

The certified copy must include the statement, "I certify this is a true copy of the original document".

For photographic documents, the certified copy must include the statement, "I certify this is a true copy of the original document and the photograph is a true likeness".

Non-individual investors

Different identification and verification requirements apply to prospective investors who are not individuals, such as companies, other bodies corporate, trusts; including superannuation trusts, partnerships, associations and registered co-operatives.

- **Companies** – Any one of the following documents: a certified copy of the certification of registration or licence or other records of the relevant commonwealth, state or territory

statutory regulator or a public document issued by the relevant company.

- **Trusts & Trustees** - If the trust is a:
 - Registered managed investment scheme, regulated trust or government superannuation fund – any one of the following documents: a certified copy or relevant extract from the relevant regulator's website showing the full name of the trust, and that the trust is a registered scheme, regulated trust or government superannuation fund.
 - Other trust type - any one of the following documents: a certified copy or extract of the Trust Deed showing the name of the trust, or letter from a solicitor or qualified accountant that confirms the name of the trust, or a notice issued by the ATO within the last 12 months (eg Notice of Assessment).
 - Individual Trustee - verification of the Trustee's full name, and either date of birth OR residential address is required by completing the Individual verification document.
 - Australian Company Trustee – a certified copy of the certification of registration.
 - Australian Listed Company or majority owned subsidiary of an Australian Listed Company or is a regulated company - a certified copy of a public document issued by the relevant company.
- **Partnerships, Associations, and Registered Co-operatives** - please contact NavralInvest Limited for verification information required.

Incomplete Applications

There may be instances where we do not receive sufficient information from you (including certified identification documents). Where this happens, we will contact you to request the necessary information. Any delay in providing the necessary information may result in you receiving a different unit price than you expected. We recommend you carefully complete the application form and attach necessary identification documents. If you require assistance with completing the application form, please call us on 1300 656 131.

If your application is incomplete and if the additional information is not provided on request, we may return the application and your application money to you.

Examples of correct names and account designations

| Type of investor | Correct name | Incorrect name | Signature(s) required |
|--|--|--|---|
| Individual/joint holding Use full name of each applicant, not initials | Peter John Smit Susan Margaret Smith | Peter J Smith Susan M Smit | Each applicant |
| Company holding Use full company name | ABC Pty Ltd | ABC Inc ABC Co ABC P/L | 2 directors; A director & secretary; A single director if a sole director company |
| Minors Use full name of each applicant, not initials Use minor name as designation | Susan Margaret Smith a/c designation Kylie Smith | Kylie Smith | Each applicant |
| Superannuation funds/trusts for individual(s) Use trustee(s) personal name(s) Use fund/trust name | Mary Lou Baker Mary Baker Trust Mary Baker Super Fun | M L Baker Trust M L Baker Super Fund | Each trustee |
| Superannuation funds/trusts for companies Use trustee company name Use fund/trust name | ABC Pty Ltd ABC Trust ABC Super Fund | ABC Trust ABC Trust ABC Super Fund | Trustee - as per company holding above |



Application Form

Navra Blue Chip Share Funds

Units in the Navra Blue Chip Share Funds are only issued on receipt of this application form, issued together with the PDS dated 1 July 2007, together with payment in full.

Please use CAPITAL LETTERS and a black ballpoint pen when completing this form. Please ensure you sign this form in section 10.

1. Type of investment

New investment Go to section 2

Additional investment

Please provide details of your existing holding below and continue to section 4

Existing unit holding number

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Existing unit holding name

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2. Applicant details

Applicant 1

Title

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Given name(s)

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Surname

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Date of birth

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Reason for TFN exemption. If you are a foreign resident for tax purposes, please specify your country of residence.

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Applicant 2

Title

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Given name(s)

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Surname

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Date of birth

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Reason for TFN exemption. If you are a foreign resident for tax purposes, please specify your country of residence.

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Company, incorporated association or body

Name of company, incorporated association or body

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Name of contact person

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ABN or ARBN

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Reason for TFN exemption. If you are a foreign resident for tax purposes, please specify your country of residence.

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Superannuation Fund, Trust or other entity

Name of superannuation fund, trust beneficiary, deceased estate or unincorporated associated

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ABN (if applicable)

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Tax file number

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Reason for TFN exemption. If you are a foreign resident for tax purposes, please specify your country of residence.

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Minor account designation

Name of minor as designation

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3. Contact details

Postal address

City

State

Postcode

Email address

Home phone

Mobile phone

Work phone

Fax number

4. Application instructions and distributions

The minimum initial application into the Navra Blue Chip Australian Share Retail Fund and the Navra Blue Chip American Share Fund is \$1,000, including the entry fee (if any) paid to your adviser. A Savings Plan option is available to the Navra Blue Chip Australian Share Retail Fund and the Navra Blue Chip American Share Fund. The minimum application amount for a Savings Plan is \$100 per month following an initial application amount of \$1,000 (these amounts include any entry fee). If you select a Savings Plan, please make sure you complete the Savings Plan Direct Debit Authority in section 6.

The minimum initial application into the Navra Blue Chip Australian Share Wholesale Fund is \$2,500,000.

Please make cheques payable to "NavraFunds Application Account". Cash and third party cheques are not accepted.

You can elect to have distributions (1) reinvested back into units in the Fund or (2) paid into a nominated bank account or (3) a combination of these two options. Please indicate the percentage you wish to have reinvested and/or paid to your nominated bank account. If you do not complete a box, your distributions will be reinvested in full into additional units in the Fund.

| | Navra Blue Chip Australian Share Retail Fund | Navra Blue Chip Australian Share Wholesale Fund | Navra Blue Chip American Share Fund |
|--|--|---|-------------------------------------|
| Applications | | | |
| Application Amount | \$ <input type="text"/> | \$ <input type="text"/> | \$ <input type="text"/> |
| Savings plan monthly application | \$ <input type="text"/> | | \$ <input type="text"/> |
| Distributions | | | |
| % Reinvest into additional units | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| % Pay to nominated financial institution | <input type="text"/> | <input type="text"/> | <input type="text"/> |

5. Bank account details

Please provide your bank account details if you have elected to have the distributions paid to your Australian financial institution or if you wish to record your details for future withdrawal payments.

Name of Australian financial institution

Branch name and address

Account name

BSB

Account number

6. Savings Plan direct debit authority

I/We authorise NavraInvest Limited until further notice in writing to arrange for the amount set out in section 4 or such other amounts notified to NavraInvest Limited in writing to be debited from my/our bank account, at the financial institution identified below. NavraInvest Limited may debit or charge me/us with those amounts through the Savings Plan direct debit system.

[Account to be debited](#)

Name of Australian financial institution

Branch name and address

Account name

BSB

Account number

Authorisation

I/We have read the "Savings Plan Direct Debit Customer Service Agreement" provided in the PDS on pages 16-17 and agree with its terms and conditions. I/We request this arrangement remain in force in accordance with details set out in the direct debit authority and in compliance with the "Savings Plan Direct Debit Customer Service Agreement".

Name of applicant 1

Name of applicant 2

Signature of applicant 1

Signature of applicant 2

For corporate accounts please circle appropriate title:

Applicant 1

Director Director/Secretary Sole Director Trustee

Applicant 2

Director Director/Secretary Sole Director Trustee

7. Account operating instructions

Joint accounts

Either to sign Both to sign

(If no box is ticked, we will assume both to sign)

Company account or trustees

Either to sign Both to sign

Other: _____

(If no box is ticked, all future written instructions must be signed on behalf of the company by two directors, or a director and secretary)

8. Request for information

a. Annual report

Please tick this box if you wish to receive a copy of the annual financial report for the Fund(s) each year.

Please note the accounts of the Funds are available to investors on our website at www.navrainvest.com.au

To keep costs down we request investors do not tick the box above and instead obtain the Funds' accounts from the Internet.

b. Internet access

Would you like to have online enquiry access to your unit holding? Yes No (If no box is ticked, we will assume "no")

(This access is not needed to access the Funds' annual report)

9. Entry Fee

Adviser name:

Adviser stamp:

Adviser code:

Dealer code:

Contact phone number:

Please tick the entry fee to be charged to the client:

| | |
|-----------------------------------|--------------------------|
| Entry Fee % (incl.GST) up to 4.4% | |
| Initial Application | <input type="checkbox"/> |
| Savings Plan | <input type="checkbox"/> |
| Additional Investments | <input type="checkbox"/> |

10. Applicant acknowledgement and signature

1. I/We agree to be bound by the provisions of the Constitutions governing the Navra Blue Chip Australian Share Retail and the Navra Blue Chip Australian Share Wholesale Funds and the Navra Blue Chip American Share Fund, as applicable and as amended from time to time.
2. I/We agree to be bound by the terms of the PDS for the Navra Blue Chip Share Funds.
3. If I/we have received the PDS from the internet or other electronic means, I/we declare that it was received either personally or a printout was accompanied by the application form before making an application for units in the Navra Blue Chip Share Funds.
4. I/We acknowledge that investments in the Funds are subject to investment risk, including possible delays in repayment and loss of income or capital invested.
5. I/We acknowledge that NavraInvest does not guarantee the performance of the Funds or repayment of capital from the Funds or payment of income from the Funds.
6. If investing as a trustee on behalf of a superannuation fund or trust I/we confirm that I/we are acting in accordance with my/our designated powers and authority under the trust deed. In the case of superannuation funds, I/we also confirm that the Funds are complying funds under the Superannuation Industry (Supervision) Act.
7. Sole signatories signing on behalf of a company confirm that they are signing as sole director and sole secretary of the company.
8. If this application is signed under a Power of Attorney ("PoA"), the attorney declares that he/she has not received notice of revocation of that power (a certified copy of the PoA should be submitted with this application unless it has already been provided to NavraInvest).

YOU SHOULD READ THE PDS IN FULL BEFORE SIGNING THE APPLICATION FORM

Applicant 1

Name

Signature

Date

For corporate accounts please circle appropriate title:

Director Director/Secretary Sole Director Trustee

Applicant 2

Name

Signature

Date

For corporate accounts please circle appropriate title:

Director Director/Secretary Sole Director Trustee

Corporate directory

Responsible Entity and Manager

NavraInvest Limited

Registered Office

Suite 1, Level 5

65 Berry Street, North Sydney NSW 2060

Telephone: 1300 656 131

Fax: 02 – 9087 1877

Email: info@navrainvest.com.au

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