



Sandon Capital Activist Fund

APIR FHT0010AU

Information Memorandum

Investment Manager

Sandon Capital Pty Ltd

ABN 98 130 853 691 | AFSL 331663
Level 5 139 Macquarie Street
Sydney, NSW 2000 Australia

www.sandoncapital.com.au

Trustee

One Fund Services Limited

ABN 56 615 523 003 | AFSL 493421

Level 16 Governor Macquarie Tower
1 Farrer Place Sydney NSW 2000

www.oneinvestment.com.au

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Before you start

This Information Memorandum is an important document and you are encouraged to read it carefully.

One Fund Services Limited ABN 56 615 523 003 | AFSL 493421 (**Trustee, we, us**) is the trustee of the Sandon Capital Activist Fund (the **Fund**). Sandon Capital Pty Ltd ABN 98 130 853 691 | AFSL 331663 (**Sandon Capital, Investment Manager**) is appointed by us as the investment manager and promoter of the Fund.

Sandon Capital is an activist investor. It endeavours to unlock value in undervalued companies by taking a proactive and hands on approach to improving the corporate governance, capital management and strategic direction of the companies the Fund invests in.

This investment is available to wholesale investors only (that is, wholesale clients the Corporations Act defines this). The Fund is an Australian resident open-ended unit trust. It is a 'managed investment scheme', but it is not registered by the ASIC or any other regulator.

This investment is relatively liquid in normal market conditions and has a medium to higher risk profile generally commensurate with the broader Australian sharemarket.

There are risks associated with this investment. You can lose as well as make money. Neither the capital you invest, nor any return, is guaranteed.

This Information Memorandum may include past performance information. Past performance information is given for illustrative purpose only and should not be relied upon as (and is not) an indication of future performance.

This Information Memorandum includes forward-looking statements that may contain the words "believe", "intend", "estimate", "expect" and words of similar meaning. All statements other than statements of historical facts included in this Information Memorandum, including those regarding the Fund's financial position and business or investment strategy, plans and objectives are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Fund to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

Any forward-looking statements are based on often numerous assumptions regarding the Fund's operations and present and future business and investment strategies and the markets in which the Fund will operate in the future. These forward-looking statements are made on the date of this Information Memorandum. Accordingly, there can be no assurance that such statements, estimates or projections will be realised.

This document is subject to change from time to time. Unless the changed information is materially adverse to you, the Trustee may not always update or replace this document to reflect the changes. We will tell you if the changed information is materially adverse to you by sending you a replacement or supplement document.

Updated information can be obtained by going to www.oneinvestment.com.au/sandoncapital or www.sandoncapital.com.au or by contacting us or the Investment Manager.

This Information Memorandum does not take into account your personal circumstances, and you are encouraged to seek professional advice before investing. The Trustee and the Investment Manager are not responsible for any advice or information given, or not given, to prospective applicants by any party (other than the Investment Manager) distributing this product and, to the maximum extent permitted by law, accept no liability whatsoever for any loss or damage arising from prospective applicants relying on any information that is not in this Information Memorandum.

The Fund's information memorandum, current from time to time, is the one which governs your investment. This Information Memorandum is intended to provide potential Investors with information only and does not constitute a product disclosure statement, prospectus or other disclosure document required by the Act. This Information Memorandum has not been lodged with the Australian Securities and Investments Commission (**ASIC**) or any other government body.

This Information Memorandum complies with Australian laws and may not meet the requirements of laws in other countries. It follows that the offer made in this Information Memorandum is available only to persons

receiving this Information Memorandum in Australia (electronically or otherwise).

This Information Memorandum does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction other than Australia or in circumstances in which such offer or solicitation is not authorised. No recipient of this Information Memorandum in any jurisdiction other than Australia may treat it as constituting an offer to acquire Units. In particular, this product has not been and will not be registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold, delivered or transferred in the United States or to, or for the account of, any "US Person" (as defined in Regulation S under the US Securities Act). Neither this Information Memorandum nor any Application Form or other material relating to this product may be distributed in the United States.

If you received this Information Memorandum electronically, you can request a paper copy free of charge from the Investment Manager anytime.

Unless otherwise stated, all figures are in Australian dollars and are inclusive of the net impact of GST.

The ASIC takes no responsibility for the contents of this Information Memorandum.

1. Snapshot

Name	Sandon Capital Activist Fund.
Codes	APIR FHT0010AU.
Fund inception	4 September 2009.
Investment Manager	Sandon Capital Pty Ltd ABN 98 130 853 691 AFSL 331663.
Trustee and Custodian	One Fund Services Limited ABN 56 615 523 003 AFSL 493421.
Registrar	One Registry Services Pty Ltd ABN 69 141 757 360.
Administrator	Unity Fund Services Pty Ltd ABN 16 146 747 122.
Investment strategy	To extract and enhance value from investing in listed companies and trusts by engaging in shareholder 'activism'.
Investment objective	To generate attractive risk-adjusted capital growth with some income.
Major asset class	ASX-listed securities. Refer to "what does the Fund invest in?" for further details.
Risk profile	Medium to higher risk.
Investment timeframe	3 to 5 years or more.
Investor types	Investors can be any type: individuals, family trusts, companies or super funds.
Investment restrictions	The Fund is available to wholesale clients as defined in section 761G(7) of the Act this does not include sophisticated investors.
How to apply	info@oneregistryservices.com.au or by calling +61 2 8188 1510.
Minimum initial investment	\$250,000 or any lesser amount we agree.
Minimum additional investment	\$50,000 or any lesser amount we agree.
Minimum withdrawal	\$50,000 or any lesser amount we agree.
Minimum balance	\$250,000 or any lesser amount we allow.
Application processed	Monthly
Withdrawals processed	Quarterly (at the end of December, March, June and September) subject to a one month notice period.
Withdrawal restrictions	Yes, potentially where: <ul style="list-style-type: none"> ■ (uncertainty) price cannot be calculated, ■ (gating) more than 20% of the fund is sought to be withdrawn in a quarter (withdrawals are then pro-rated), or ■ (Fund protections) if in investors' best interests.
Ongoing fees	1.54% pa of gross assets excluding borrowing.
Performance fee	15.38% of any performance above Benchmark, calculated monthly, with the protection of a high-water mark.
Benchmark	The monthly Bank Bill Swap Rate (Mid) published by ASX.
Income	Annually as at 30 June.
Distribution Reinvestment	Yes. Any distributions will be automatically reinvested unless you tell us otherwise. If you would like to receive distributions in cash, please make this selection on the application form. You can change your preference at any time by

| advising us in writing.

2. What the Fund does

An activist approach

Sandon Capital believes that being an active owner of the companies and trusts in which it invests can lead to superior investment returns. Being an active owner means we seek to engage with the boards and management of the companies we invest in, as well as other stakeholders, including shareholders, to identify opportunities that may enhance and extract value in those companies for the benefit of all shareholders. This approach is commonly known as “activist investing”.

An Australian-based activist investment firm, Sandon Capital, established the Sandon Capital Activist Fund in 2009 to apply its activist investment approach.

Sandon Capital endeavours to unlock and enhance value in undervalued companies by taking a proactive and hands on approach to improving the corporate governance, capital management and strategic direction of the listed companies and trusts the Fund invests in.

Sandon Capital believes investor activism is generally best applied to situations where investor value has been materially compromised or where there is a persistent failure to deliver. It seeks to identify investments which can be bought for less than what it considers to be their intrinsic value, and which it considers are likely to benefit from active engagement.

Activism in action

The Fund invests in particular companies and trusts identified by Sandon Capital where it believes there is inherent value and that, by seeking change, Sandon Capital can create, enhance or extract that value.

Sandon Capital engages with directors, management and other stakeholders, with a view to persuading them that changes proposed by Sandon Capital will lead to increased market prices and a narrowing of the gap between the market price and its intrinsic value.

It is no surprise that poor governance is often at the top of an activist investor’s watch list, as an activist strategy is often undertaken in the presence of a management or a board acting sub-optimally, to the detriment of shareholders (who are the underlying owners of the shares or units).

Sandon Capital seeks to work with boards and management, but will also act independently of the board, often working closely with other investors in order to generate support to strengthen the push for change.

Each and every investment opportunity is different and there is no single formula for activism. Investor activism is not just about corporate governance.

Australian share and unit holders have, through the Corporations Act, one of the most shareholder-friendly legal and regulatory frameworks globally. Activist activities with this framework may include:

- board/trustee liaison,
- seeking information,
- calling for investor meetings,
- putting forward shareholders’ resolutions,
- attending meetings and exercising corporate actions,
- seeking the removal of a director,
- nominating directors,
- requiring shareholders’ statements be distributed,
- voting on remuneration reports,
- seeking to enforce legal rights,

- influencing public profiles, and
- liaising, acting with and influencing other stakeholders such as other investors, industry associations, regulators and the ASX, investment managers and financiers.

These are very much the public face of activism. However, the work of an activist often takes place behind closed doors. Lobbying boards and management privately for a particular course of action can be far more productive than taking a very public route. However, such private approaches do not always work.

It is important when formulating a strategy for a particular company within the portfolio that other shareholders are likely to support it. If an alternative strategy cannot obtain support from other shareholders, then it is likely the strategy needs more work. Sometimes though, support can be difficult to garner because of investors' differing investment objectives. For example, sometimes retail and institutional investors may have different time horizons for their investments. Despite the efforts of the Investment Manager, there is no guarantee its activist campaigns will succeed.

Investment strategy

The Fund seeks to invest in opportunities that are considered by Sandon Capital to be trading below their intrinsic values and that offer the potential of being positively influenced by Sandon Capital taking an active role in proposing changes in key areas including:

- corporate governance,
- capital management,
- strategic and operational issues, and
- management arrangements,

and other related activities.

Although activism is at the core of what the Investment Manager does for the Fund, other strategies may be deployed from time to time, including merger arbitrage and other market-based opportunities, where the Investment Manager considers the potential risk adjusted returns are attractive.

What does the Fund invest in?

The Fund's focus is to invest in companies and trusts listed on the Australian Securities Exchange (the **ASX**) that Sandon Capital considers to be undervalued and which offer the opportunity for value uplift through an activist investment management strategy.

Positions may also be taken in companies where the activist potential is limited, where the Investment Manager considers that such a position takes the Fund forward to achieving its stated objectives.

Unlisted investment positions – activist and otherwise - are possible.

Some exposure to debt investments (such as debentures or corporate notes) is also possible. From time to time, cash holdings may be very significant.

Up to 15% of portfolio value may be represented by international (or offshore) exposure. The Fund may use derivatives to hedge risk and to obtain investment exposure. The Fund may short sell and can borrow. Details are below.

A concentrated portfolio

An active engagement strategy is hands on and time-consuming, often with strategic positions being taken and grown. As a result, the Fund's mature portfolio is relatively concentrated.

This Fund should be considered relatively concentrated. It does not offer the same levels of diversification as other more traditional equity funds.

The overall portfolio varies in terms of numbers of positions, and may comprise 15 to 20 investments,

sometimes more.

The Fund typically is focussed in value terms on 5 or 6 key positions, which may comprise 50% or more of the portfolio.

It is usually these handful of investments which are the focus of activist engagement at any one time.

A typical holding period might be between 1 and 3 years. Some investments may be held for far longer.

The Fund may also hold significant proportions of its assets in cash. This may be the result of Sandon Capital building a position in a target investment, having recently sold down an investment, or as a result of having the view that cash represents a better alternative to being invested at that point.

Portfolio guidelines

The portfolio guidelines are:

Guidelines	As a % of Gross Assets	
	Min	Max
Cash or cash equivalents	1%	100%
Securities	0%	99%
Generally, any single security (at initial purchase cost)		7.5%
But with the following higher limits for a security whose underlying assets comprise:		
• 25% - 50% liquid securities		10%
• 50% - 100% liquid securities		15%
	As a % of Securities on issue	
Generally, the Fund will limit its relevant interest in an investment to:		19.99%

By **liquid securities** we mean investments that are listed on a recognised securities exchange or that can be readily liquidated. Stock holdings may move between the minimum and maximum ranges stated above quickly and without notice to you. If price movements cause any securities to exceed these guidelines, the Investment Manager may determine that it is appropriate to allow the weighting to increase as price changes. Generally, though not always, if a security price rises to more than 25% of the gross assets of the Fund, the Investment Manager will take steps to reduce the exposure below 25%.

The guidelines above are general guidelines for portfolio construction. The Investment Manager retains ultimate discretion on portfolio construction. By contrast, borrowing limits (described later) are hard limits.

International exposure

Up to 15% of the portfolio value may be invested in international (or offshore) exposure either in stocks listed on recognised exchanges or in unlisted stocks. The Investment Manager has a broad discretion in this regard. As well as equity exposure, the international exposure could also be invested in debt or cash and cash equivalents.

The geographical focus of offshore investment is expected to be in advanced economies, with exposure to developing and emerging economies being selected where the investment case is considered compelling.

If market movements cause guidelines to be exceeded, then exposure will be reduced as soon as is practicable.

Derivatives

Derivatives are contracts between two parties that usually derive their value from the price of a physical

asset or market index. Derivative types may include for example, spot and forward currency contracts, futures and options. Instruments may be exchange traded or 'over the counter'.

The Fund may use derivatives to hedge risks, for example currency and interest rate risk. The Fund may use also use derivatives to gain investment exposure. See the Risks section for more details.

Short selling

The Fund may use an investment technique called short selling. Short selling aims to reduce risk, or make money, based on the belief that the price of an investment – usually a listed security - will fall. See the Risks section for more details.

Leverage

The Fund may (with financial instruments such as derivatives and investment techniques such as securities lending) use leverage for investment purposes, and may be geared however gross assets cannot exceed 150% of investor funds. It is very unlikely that the Fund would gear to this extent. See the Risks section for more details.

3. The team

The Investment Manager

Sandon Capital is the Investment Manager of the Fund.

Established in 2008, Sandon Capital is an Australian-based value investor that applies activist techniques. It is currently the investment manager of two other investment funds.

Sandon Capital devises and implements activist engagement strategies that seek to unlock and enhance the value inherent in the investments it makes.

Since 2008, Sandon Capital has established a track record of performance and achievement in applying its investment approach.

Sandon Capital seeks out investment opportunities that it considers undervalued, and which it believes provide the opportunity to unlock and enhance value through active engagement with boards, management and other stakeholders.

It has the primary focus of generating attractive risk-adjusted returns for investors using the combination of its value investment philosophy combined with its activist engagement strategies.

Sandon Capital believes together these give tremendous potential for superior, risk adjusted, investment outcomes.

It holds Australian financial services licence no. 331663.

More information is available at www.sandoncapital.com.au.

The Trustee

The Trustee has extensive experience as a corporate trustee and is a professional trustee.

The Trustee is a member of the One Investment Group (**OIG**). OIG is an independent Australian funds management business that focuses on providing responsible entity, trustee and other services associated with funds management. OIG operates a number of entities that, pursuant to the Corporations Act, are licensed to conduct financial services businesses and to act as responsible entities for registered schemes and as trustees for unregistered schemes.

OIG's licensed entities hold over 300 responsible entity/trustee roles, administering a range of asset classes including hedge funds, real estate, private equity, fixed income, credit and equities. The total value of the assets within these trusts is in excess of \$35 billion.

OIG's capabilities include:

- responsible entity services,
- trustee services,
- registry services,
- fund administration and taxation services, and
- custody services.

One Fund Services is the holder of AFS licence number 493421.

More information is available at www.oneinvestment.com.au.

4. Costs

Ongoing fees

The total ongoing fees are 1.54% per annum of the gross assets of the fund excluding borrowings, including net GST. These comprise:

- Investment Management fees,
- the Trustee's base fees, and
- custodian, fund administration and registry base fees.

These fees are provided for in the unit price.

To the extent ongoing fees are insufficient to cover Trustee, custodian, fund administration and registry base fees, then the Investment Manager will cover these fees out of its own funds. However, if the Investment Manager does not pay these fees, then under the Trust Deed the Trustee is entitled to, and will, collect these fees from the assets of the Fund.

Recurring expenses are in addition to these. The Investment Manager estimates 0.12% pa of the gross assets (excluding borrowings) of the Fund, including net GST. Non-recurring expenses, if incurred, are also in addition to these. Please see below for details.

Performance fee

Sandon Capital is entitled to be paid a monthly performance fee of 15.38% of any amount by which the Fund outperforms the Fund's benchmark over each month.

The benchmark is the 1 Month Bank Bill Swap Rate (Mid) (**Benchmark**) published by ASX.

The calculation is based on comparing unit prices at the end of the month with those at the start.

The net asset value for these calculations is adjusted for and to take account of applications, redemptions and distributions over the month. It is net of ongoing Trustee and Investment Manager fees as well as recurring expenses, but before the performance fee itself, as well as any non-recurring expenses and non-recurring Trustee fees.

Investors have the protection of a 'high-water mark'. The performance fee is not payable if the end of month unit price is lower than the highest previous end of month price.

The absolute dollar value of the performance fee is calculated as follows:

Obtain appropriate month end price

1. Calculate period end unit price: this takes into account various fee and expense accruals but not any accrued performance fees, and all period end unit prices are pre distribution or add back distribution for current period. This is the period end unit price pre-performance fee (P_1).

Compare with high water mark

2. Determine high water mark. This is the highest previous period end unit price when a performance fee is paid on an accumulation basis (that is, after allowing for distributions and net of all performance fees).
3. Is the figure determined by paragraph 2 higher than P_1 ? If yes, no further action required. If no, go to paragraph 4.

Has there been a positive absolute unit price return for the period?

4. Obtain prior period end unit price (P_0), calculated net of all performance fees
5. Is P_0 greater than or equal to P_1 ? If yes, no further action required. If no, go to paragraph 6.

Has there been out performance of the benchmark "BBSW1M" (the mid-point of the ASX 1-month Bank Bill Swap Reference Rate as determined at the beginning of the period)?

6. Calculate unit price performance. Performance = $(P_1/P_0 - 1) \times 100$ expressed as a percentage.
7. Calculate benchmark performance Benchmark = $((1 + \text{BBSW1M})^{(1/12)} - 1) \times 100$ expressed as a percentage.
8. Is Benchmark greater than Performance? If yes, no further action required. If no, go to paragraph 9.

There is a performance fee payable. How much is it?

9. Calculate the performance fee (F) as a percentage of assets at the end of period. $F = (\text{Performance} - \text{Benchmark}) \times 15.38\%$.
 10. Calculate assets in period (A). A = end of month gross assets less borrowings.
 11. Multiply assets in period "A" by "F" to obtain the dollar value of the performance fee.
- Pay performance fee to Sandon Capital.

Expenses

All expenses properly incurred by the Trustee in relation to the proper performance of its duties as trustee of the trust are payable or reimbursable out of the assets.

The Investment Manager estimates the level of recurring expenses is 0.12% pa of the gross assets (excluding borrowings) of the Fund. Recurring expenses are in addition to the ongoing fees. These expenses include brokerage, transaction costs of the custodian, registry and administrator, and audit fees, and other ordinary expenses of operating the Fund (excluding any fees payable to the Investment Manager). The actual level of such expenses could be higher or lower than this estimate.

There may from time to time also be non-recurring expenses which if incurred would be in addition to ongoing fees.

If incurred, they will be paid from the Fund.

For the most part these are anticipated to be associated with a particular activist strategy. They may include for example any dispute and litigation costs, legal and other expert's fees, advertising and media engagement, associated travel and accommodation costs, and other expenses arising from managing the Fund's engagement activities. Activist costs can be substantial. Non-recurring expenses could also include trustee transaction based fees and costs associated with a change of trustee, costs associated with a change of investment manager or Fund termination and the costs associated with investor meetings.

There is no reasonable basis on which the Investment Manager can estimate non-recurring expenses from year to year.

However, the Trustee and Sandon Capital will seek to ensure any such costs are managed appropriately.

The Investment Manager will, to the extent practicable, also seek to co-ordinate its activist efforts amongst other investment entities for which it is investment manager, so that where benefits from one vehicle's actions flow to another vehicle, then it will seek that the other vehicle share costs on an appropriate basis, usually in proportion to the extent of each vehicle's investment exposure to the investee company or trust. This works both ways – from time to time the Fund may benefit and may determine to share costs incurred by another vehicle. Fee sharing is not always practicable or available to implement.

Expenses accrue in the unit price and are paid on a monthly basis.

The Trustee has appointed

- Unity Fund Services Pty Ltd ACN 146 747 122 (**Administrator**), an associated company, to provide fund accounting and taxation services to the Fund pursuant to an administration agreement under which the Administrator provides administration services for day-to-day operations of the Fund, and these services include fund accounting, unit pricing, reporting and preparation of statutory accounts, and
- One Registry Services Pty Limited ACN 141 757 360 (**Registrar**), a related party, for unit registry services in respect of the Fund.

The Trustee has appointed these parties in consultation with, and with agreement from, the Investment Manager.

The fees paid to the Trustee and its associates are indexed to the higher of 3% and CPI on 1 July each year, effective from 1 July 2022.

There is no removal fee for the Trustee, the Administrator, the Registrar or the Custodian.

These appointments can change and/or be supplemented (for example a prime broker may be appointed) without notice to investors.

Can the fees change?

Yes, all fees can change.

The Trust Deed for the Fund sets the maximum amount that can be charged in fees. The approval of investors is needed in order to raise fees above the amounts allowed for in the Trust Deed.

You will receive at least 30 days' written notice of any proposed increase to fees.

Can fees be different for different investors?

The Investment Manager may negotiate its fees with investors. The size of the investment and other relevant factors may be taken into account in this negotiation. Any fee rebates paid are not a cost to the Fund.

Government charges and taxation

Taxes such as GST will be applied to your account if required by law. In addition to the fees and costs described in this section, standard government fees, duties and bank charges may also apply. Some of these charges may incur additional GST and will apply to your investments and withdrawals as appropriate.

The fees outlined in this document take into account the net effect of Goods and Services Tax (**GST**) if applicable and any reduced input tax credits which may be available.

Buy-Sell spread

When you invest in the Fund, the Fund buys investments, and this incurs costs (for example, to buy shares, a broker charges a fee). When you withdraw, investments are sold so cash can be paid to you, and this costs money too.

A buy-sell spread is an adjustment applied to the unit price which reflects the estimate of such costs.

This adjustment ensures that existing investors do not pay costs associated with other investors acquiring/ withdrawing units in the Fund. The buy-sell spread is reflected in the buy and sell unit prices. It is not a fee payable to the Trustee or the Investment Manager.

Currently, the buy-sell spread is 0.60% of the unit price, that is an adjustment of:

- +0.30% on the entry price and
- -0.30% on the exit price is made),

For example, if the net asset value of each unit was \$1.00, on entry the unit price is adjusted up approximately 0.30% (up 0.3 cents) and on exit down approximately 0.30% (down 0.3 cents).

5. Risks

General

All investments are subject to varying risks, and the value of your investment may rise and fall over time. As a general rule, the higher the potential returns, the higher the level of risk.

The primary risk that Sandon Capital seeks to mitigate is that of permanent loss of capital. This is different to share price or market price volatility.

As a stand-alone investment, the Investment Manager considers it a medium to higher volatility investment, but one which potentially reduces overall portfolio risk and smooths investment returns when included appropriately in an investor's investment portfolio.

Changes in value can be significant and they can happen quickly – the greater and faster the changes the greater the volatility.

Different types of investments have different risk characteristics which will affect the Fund.

When risk materialises, yields can be lower than targeted, and could be nil, and capital invested may fall in value.

If these risks occur, distributions may be reduced or there may be none, the value of your investment could fall, and you could lose money.

Neither we nor the Investment Manager make any promise that the ways in which risks are aimed to be managed will be successful. You can lose as well as make money. Neither the capital you invest, nor any return is guaranteed.

The level of risk for you particularly will vary depending on a range of other factors, including age, investment time frame, how other parts of your wealth are invested, and your risk tolerance. If you are unsure whether this investment is suitable for you, it is recommended that you consult a financial adviser.

Further information about the risks of investing in managed investment schemes can be found on ASIC's MoneySmart website at www.moneysmart.gov.au

The significant risks of the Fund include the following:

The risks of activism

The Fund will pursue an active strategy of engaging with investees and other stakeholders to improve value. The performance of the Fund is reliant on the success of this activist strategy. There is no guarantee that any aspect of such a strategy will be successful.

Boards and trustees can resist change, for reasons legal and otherwise, laws can be unresponsive, ambiguous and be interpreted differently. Activism can be challenged and disputes are not always successful or practicable to pursue. Information requests can be refused or unproductive. Investors at general meetings may not support change, or insufficient numbers may show up or vote. Some registers are dominated by larger investors who may choose to remain silent.

Nominated directors may not gain enough support, or they may join a board but not hold sway.

Enforcing legal rights, for example through mediation, arbitration, regulators and courts, is not always successful or practicable. It can be expensive and time consuming.

Other stakeholders such as other investors, industry associations, regulators and the ASX, investment managers and financiers may not see the end game in the same way as Sandon Capital, having other agendas or less interest.

Activism can take a considerable time to show results. It can be difficult to discern the value added from activism from other sources of value add.

Broader economic risk

Economic, environmental, technological, political, health and legal conditions, and market sentiment can (and do) change, and this can have an impact on the investments of the Fund. Recent times have shown that changes can be global, substantial and can happen quickly. Changes can be irreversible, and the future is uncertain.

Individual investment risk

This is the risk that the value of an individual investment in the Fund may change in value or become more volatile, potentially causing a reduction in the value of the Fund and increasing its volatility. Reasons can be many, and include changes in an investment's operations, changes in the environment, or what people think of the investment. It can lead to default of an entity to which the Fund has an investment exposure including under securities lending arrangements. In spite of successful activism, value can still fall.

Liquidity risk

This is the risk that your withdrawal requests cannot be met when you expect.

Because cash is paid to your account when you withdraw, investments of the Fund may need to be sold to pay you.

Depending on factors such as the state of the markets, selling investments is not always possible, practicable or consistent with the best interests of investors. The level of overall market liquidity or the ability to buy or sell investments at a price considered appropriate is an important factor that may contribute to the profitability of the Fund and access to your money. The investments the Fund will invest in may also face liquidity risk themselves.

This is one of the reasons why the Trust Deed specifies limited circumstances where there could be a delay in meeting your withdrawal request.

Units in the Fund are not quoted on any stock exchange and you cannot sell them through a stockbroker.

You can transfer your units at any time to any person willing to buy them. However you may not be able to find such a person or, at least, find such a person at the price you wish to sell.

International risk

The geographical focus of the Fund is expected to be in Australia. Any international exposure is expected to be in entities listed on recognised exchanges. Other exposure would be only where the investment case was considered compelling. Such other exposure may be more affected by political and economic uncertainties, lower regulatory supervision and more volatile, less liquid markets.

Concentration risk

This Fund should be considered relatively concentrated. It does not offer the same levels of diversification as other more traditional equity funds.

The overall portfolio varies in terms of numbers of positions, and may comprise 15 to 20 investments, sometimes more.

It typically is focussed in value terms on 5 or 6 key positions, which may comprise 50% or more of the portfolio.

It is usually these handful of investments which are the focus of activist engagement at any one time.

Borrowing risk

The Fund may use debt. The use of debt may enhance returns to investors but may also magnify losses.

From time to time, amounts may be borrowed on a short-term basis to meet redemptions, distributions, or short-term Fund obligations.

The Fund may also use debt for investment purposes.

The Fund may (with financial instruments such as derivatives and investment techniques such as securities lending) use leverage for investment purposes, and may be geared however gross assets cannot exceed 150% of investor funds. It is very unlikely that the Fund would gear to this extent. See the Risks section for more details.

Such borrowing would generally only be from leading financial institutions or other lenders considered appropriate. Security may be granted over Fund assets.

Derivatives risk

The Fund may use derivatives to hedge risks and also to gain investment exposure. Instruments may be exchange traded or over the counter.

Unfortunately, derivatives use is not always successful, is not used to offset all risk, and is sometimes not cost effective or practical to use. It can lead to losses.

Risks associated with derivatives include the possibility that:

- the derivative position is difficult or costly to reverse,
- there is an adverse movement in the asset or index underlying the derivative, and/or
- the other party – the counter party – does not perform their obligations under the contract.

Most derivatives used by the Fund are exchange-traded, which significantly reduces counterparty risk, but certain derivatives have collateral and payment obligations associated with them that bring liquidity risk.

The Investment Manager constantly monitors the Fund's derivative positions to ensure that the Fund has sufficient assets to meet any associated liabilities.

Short selling risk

The Fund and the underlying investments of the Fund may use an investment technique called short selling.

Short selling aims to reduce risk or make money based on the belief that the price of an investment – usually a listed security - will fall.

Practically, this investment technique involves the Fund borrowing a share before selling it. By borrowing the shares it sells, the Fund has an obligation to return those shares to the lender. To do so, it needs to buy those shares back before returning them to the lender. If it buys back at a lower price, it makes a profit. If it buys back at a higher price (and assuming it can buy the share) it makes a loss.

Sophisticated investors use short selling to manage (or hedge) portfolio risk or with the primary goal of generating investment returns.

This Fund may short sell to hedge risk - usually the perceived downside risk associated with particular investment exposures. The Fund may also use short selling with the goal of generating investment returns.

It is important to note that the amount of potential loss from short selling is high, as security prices can rise almost without limit. Short positions are managed carefully and conservatively with the goal that the Fund always has sufficient assets to meet potential liabilities.

Exchange rate risk

The Fund may invest internationally. Furthermore, it may invest in companies and trusts whose income is earned outside of Australia or whose products and services are price in currencies other than Australian dollars. Changes in exchange rates may mean that the value of an international investment may fall or rise. Derivatives may be used to hedge this risk to some extent. Unfortunately, hedging is not always successful, is not used to offset all risk, and is sometimes not cost effective or practical to use. It can lead to losses. The Fund may seek to hedge some of its exchange rate risks, but it is not obliged to do so. It may decide

not to attempt to hedge any exchange rate risks.

Information risk

The Trustee is committed to ensuring that your information is kept secure and protected from misuse and loss and from unauthorised access, modification and disclosure.

The Internet is used in operating the Fund and records may be stored in a cloud system. If stored overseas, different privacy and other standards may apply there.

The Internet does not however, always result in a secure information environment and although steps are taken which are considered reasonable to protect your information, an absolute guarantee as to its security cannot be given.

Cyber-attacks could impact on the Investment Manager, the Trustee, the Fund and its investment.

Structure risk

This is the risk associated with having someone invest for you.

Risks associated with investing in the Fund include that the Fund could be terminated, there can be changes in the parties responsible (for example if key individuals were no longer involved), someone involved with your investment (even remotely) does not meet their obligations or perform as expected, assets may be lost, not recorded properly or misappropriated, laws may adversely change, insurers may not pay when expected or insurance may be inadequate. There can be unexpected application of a law or regulation, contracts may not be legally enforceable or may be documented inadequately.

It is possible that Sandon Capital could be wound up or liquidated, it might cease to manage the investments of the Fund and be replaced, its investment methodology could change, its activist decisions could be unsuccessful, or it could manage risks poorly.

The Fund is not a registered managed investment scheme and the retail protections available to registered scheme investors are not available here.

Managing risk

As risk cannot be entirely avoided when investing, the Investment Manager aims to identify and manage risk as far as is practicable.

Whenever investments are made, the potential for returns in light of the likely risks involved are assessed with an expectation of appropriate compensation, by way of potential returns, for any risks incurred.

Risk is considered throughout the investment process. As far as is practicable, risk is managed at both the individual investment and the Fund level.

However, many risks are difficult or impracticable to manage effectively and some risks are beyond our and the Investment Manager's control altogether.

Remember, investing involves risk, and you can lose as well as make money. This is a medium to higher risk investment. **Neither returns nor the money you invest in the Fund are guaranteed.**

6. Tax

This information is a general guide only for Australian resident investors who hold their investment on capital account. It is not a complete statement of relevant tax laws.

You will probably need to pay tax in relation to your investment in the Fund, both on distributions and withdrawals.

The amount and type of tax you will need to pay, and when, depends on the tax character of any amounts paid to you, their timing and on your personal financial circumstances.

Neither the Trustee nor the Investment Manager provide financial or tax advice, nor have they obtained taxation advice specific to the offer the subject of this Information Memorandum. As such, this Information Memorandum cannot address all of the taxation issues which may be relevant to the investor. The investor must take full and sole responsibility for their decision to invest in the Fund, the associated taxation implications arising from that investment and the impact on them of any changes in those taxation implications during the course of that investment.

Before investing in the Fund, you should obtain your own independent tax advice, which takes into account your own circumstances. In particular, you should seek advice on income and withholding tax liabilities arising out of the investment.

Tax can be complex

We strongly encourage you to seek timely professional advice before making investment decisions.

Our policy is to distribute all cash income of the Fund unless we consider it in the best interests of investors as a whole to do otherwise. Investors will usually incur an income tax liability on their distributions.

Under certain laws if they apply to the Fund, we can attribute different tax results to different investors and classes, but we must make these decisions fairly, and you have rights in limited circumstances to object to any such decision. We expect that for the most part, all investors of each class will be treated the same. The Trustee will seek to have these laws apply to the Fund once the Fund meets the relevant criteria.

Investors will usually incur capital gains tax consequences (gains or losses) when they make a withdrawal from the Fund, when ownership of their units changes and when they receive distribution. Sometimes discounts are available which reduce tax liability. Relevant factors include the kind of taxpayer you are, your tax residence and how long you have held your units.

You are requested to provide your Tax File Number (**TFN**), Australian Business Number (**ABN**) or exemption code, and failure to quote an ABN or TFN will result in tax being withheld by the Trustee on distributions paid to the Investor at the highest marginal tax rate plus Medicare levy. It is not compulsory for you to quote your TFN or ABN.

Foreign investors

Under Australia's offshore tax rules, the Australian Taxation Office (the **ATO**) expects that tax be paid by investors on some gains made offshore, even though those gains are not yet received by investors back in Australia. It is also possible that investors have a tax liability on gains realised offshore but not actually paid to them here in Australia.

Additionally, certain laws focus on investors who are not Australian residents for tax purposes. These laws include the US based 'FATCA' laws, and also the 'Common Reporting Standard' which is designed to be a global standard for collection and reporting of tax information about non-residents. You must, in a timely way, give us such information concerning these matters as we may ask. Generally, we report this to the ATO, who then shares this with relevant foreign tax authorities.

Tax outcomes can be different for investors who are not residents of Australia for tax purposes. For example, we may need to deduct withholding tax from amounts we pay.

What else should you know?

We will send you information after the end of each financial year (June) to help you complete your tax return.

Investing through a trust can also mean some things are different for you from a tax viewpoint. Liabilities may be different and you may have less control. It is possible that a liability to pay tax arises on your investment even when we have not paid money to you and in this case you may need to fund this liability independently of your investment.

Sometimes when we are administering the Fund, we learn things new about past tax matters and need to make adjustments. If this happens, it is possible that we will ask you to adjust your own tax records, or the Fund may pay tax or receive a refund and it can be the investors at the time that are subject to this.

Tax outcomes can be different for indirect investors. We strongly encourage you to seek timely professional advice before making investment decisions.

Tax laws change, often substantially. You should monitor reforms to the taxation of trusts in particular and seek your own professional advice that is specific to your circumstances.

7. How to invest

Generally

Please read this Information Memorandum and pay particular attention to all of the risk factors in section 5 of this Information Memorandum. The risks should be considered in light of your own investment situation.

Where appropriate, you should also consult a financial, taxation or other professional advisor before deciding whether to invest in the Fund.

The Application Form is provided separately. Please contact the Registrar on +61 2 8188 1510 or info@oneregistryservices.com.au.

For an application to be considered, you must complete and return your Application Form (including all supporting documentation) and pay the Application Money in accordance with the instructions in the Application Form.

You are requested to provide your Tax File Number (**TFN**), Australian Business Number (**ABN**) or exemption code, and failure to quote an ABN or TFN will result in tax being withheld by the Trustee on distributions paid to the Investor at the highest marginal tax rate plus Medicare levy. It is not compulsory for you to quote your TFN or ABN.

Who can invest?

Investors can be any type: individuals, family trusts, companies or super funds for example.

The Fund is available to wholesale clients as defined in section 761G(7) of the Act - this does not include sophisticated investors. If you are investing less than \$500,000, the easiest way to establish this is to have your accountants complete an **Accountant's Certificate**. If you would like a suggested form of Accountant's Certificate, please contact the Investment Manager.

There are other ways you can qualify as a wholesale client: call the Investment Manager if you are unsure.

Monthly processing

Application requests are processed **monthly**.

If your completed application and cleared payment is received and accepted by us before 4pm Sydney time on the last business day of the month, it will be processed using the unit price for that month.

If it is received after this, we aim to process the application in the following month, however, the law requires us to return your application moneys to you if units are not issued before the end of one month starting on the day on which your money was received.

We do not pay you interest on application monies held prior to the time we issue units to you.

Initial applications

The minimum initial investment is \$250,000
or any lesser amount we agree.

The easiest way to become a member of the Fund is by completing an Application Form which is available from the registrar by emailing info@oneregistryservices.com.au or by calling +61 2 8188 1510.

Send any original documents to:

One Registry Services Pty Ltd
Sandon Capital Activist Fund

PO Box R1479
Royal Exchange NSW 1225 Australia

This a wholesale fund - there are no cooling off rights.

Additional applications

The minimum additional investment is \$50,000
or any lesser amount we agree.

You can make additional investments at any time by posting, emailing or faxing to the Registrar your additional investment amount together with a completed Additional Application Form.

One Registry Services Pty Ltd
Sandon Capital Activist Fund
PO Box R1479
Royal Exchange NSW 1225 Australia
F: +61 2 8580 5790
E: info@oneregistryservices.com.au

How to pay

The easiest way is to transfer funds electronically.

Use the applicant's name as a reference when transferring money. Any interest on your application is credited to the Fund.

Otherwise, bank and personal cheques drawn on Australian financial institutions are accepted.

We do not accept cash, BPay, credit card or crypto currencies.

Details are in the Application Form.

When you invest

Prospective investors should rely only on information in this Information Memorandum. No person is authorised to provide any information or to make any representation in connection this offer that is not contained in this Information Memorandum. Any information or representation not contained in this Information Memorandum may not be relied upon as having been authorised by the Trustee.

When you apply to invest, you (the applicant) are telling us:

- you have received, read and understood the current Information Memorandum,
- monies deposited are not associated with crime, terrorism, money laundering or terrorism financing (nor will monies received from your account have any such association),
- you are not bankrupt or a minor,
- you agree to be bound by the trust deed of the Fund and the Information Memorandum (as supplemented, replaced or re-issued from time to time), and
- you have accepted this offer in Australia.

What else to know?

You will receive confirmation when your application is accepted.

The Trustee has the sole discretion whether to accept or reject an application. If your application is rejected, wholly or in part, then the Registrar will notify you in writing and arrange for return of your application money to you. Interest will not be paid to applicants on application money.

If your application to invest in the Fund is accepted, then interest earned on your application money will be retained by the Trustee.

By completing and providing an application to invest, you are making an irrevocable offer to become an investor in the Fund and you are agreeing to be legally bound by the Trust Deed and the terms of

the Information Memorandum.

An application is not considered complete until the registry provider has received the application money in cleared funds, a completed application and all information referred to in that application. Failure to provide a completed application may delay the processing of your application.

Once lodged, applications cannot generally be withdrawn.

If you invest with any other person, each of you must sign the Application Form. You will be assumed to be “joint tenants” unless you specify otherwise. Only the address of the first named investor need be recorded for the purposes of correspondence.

8. How to withdraw

Quarterly processing with a month's notice

Withdrawal requests are processed **quarterly** (at 31 December, 31 March, 30 June and 30 September each year).

You must however give us at least one month's prior notice.

Generally, if a completed withdrawal request is received before 4pm Sydney time at least 30 clear days prior to the relevant quarter end, it will be processed using the unit price effective for that month.

If it is received after this, it will be processed at the end of the following quarter.

Remember, there can be processing delays – see below.

How to withdraw

The minimum withdrawal is \$50,000

or any lesser remaining balance

You can write, email or fax the Registrar – don't forget your investor number, the amount you wish to withdraw and to sign your request.

One Registry Services Pty Ltd
Sandon Capital Activist Fund
PO Box R1479
Royal Exchange NSW 1225 Australia
F: +61 2 8580 5790
E: info@oneregistryservices.com.au

How we pay

On acceptance of your completed withdrawal request, we pay by transfer to your nominated account, usually within 10 business days of end of the quarter and you should receive funds into your own account shortly after this.

Payments can be delayed

In certain circumstances we may need to delay withdrawal of your money. We can delay withdrawal of your money for up to 180 days or such period as we consider appropriate in all the circumstances if:

- something outside our control affects our ability to properly or fairly calculate the unit price for example, if the investments are subject to restrictions or if there is material market uncertainty like a stock market crash, or
- we otherwise determine
but we must always act in the best interests of investors as a whole when deciding to do this.

We can also delay withdrawals if withdrawal requests are received representing more than 20% of the net asset value of the Fund on any processing date.

Our process if this happens is that all redeeming investors will have their redemptions met pro rata, and any unmet redemptions shall be carried forward into the next processing date.

For example, if investors representing 25% of the net asset value of the Fund seek to withdraw their investment, then each investor will be entitled to withdraw 80% of their withdrawal request. The remaining

20% (or 5% of net asset value of the Fund at that time) of the withdrawal request will be carried forward into the next processing date. At the next processing date, this process will be repeated. Any withdrawal request carried forward will be redeemed at the prevailing redemption price in that next redemption period.

We can give you back your invested money without you asking

In certain circumstances we can, or may be required to, also redeem some or all of your units without you asking. These circumstances include:

- if you breach your obligations to us (for example, you provide misleading information in your application),
- to satisfy any amount of money due to us (as trustee or in any other capacity relevant to the Fund) by you,
- to satisfy any amount of money we (as trustee or in any other capacity relevant to the Fund) owe someone else relating to you (for example, to the tax office),
- where we suspect that law prohibits you from legally being an investor, or
- such other circumstance as we determine.

What else you should know?

Once lodged, withdrawal requests cannot generally be withdrawn.

Units in the Fund are not listed on any stock exchange like the ASX, so you cannot sell your units through a stockbroker.

We can withhold from amounts we pay to you any amount you owe us, or we owe someone else relating to you (for example, the ATO).

9. Income and reporting

Distributions

The Fund intends to distribute all net realised gains and income annually as at 30 June. Income distributions are usually reinvested at the end of each financial year (June), but you can tell us if you do not want to automatically reinvest distributions or advise us in writing anytime if you would like us to pay them to your nominated account. Any distributions reinvested are reinvested at the ex-distribution unit price.

Distributions are not guaranteed. Sandon Capital's medium to long term investment focus means that often investment returns are in the form of unrealised gains as well as dividends and distributions. For example, the Fund may report a high annual return, but because the returns comprise unrealised gains, the distribution may be low or there may not be a distribution.

Regular reporting

The Investment Manager:

- provides a monthly fund update via email,
- makes available on its website recent unit prices and performance history, and
- makes available on its website the accounts of the Fund each year around September.

Don't forget that any past returns are just that: just because they happened doesn't mean they will happen again.

You will also receive:

- a monthly statement,
- confirmation of every transaction you make,
- an annual distribution statement, and
- an annual tax statement to help you with your tax return.

soon after June each year.

The Trustee and Investment Manager communicate with investors by email.

Privacy

The Privacy Act 1998 (Cth) regulates, among other things, the collection, disclosure and access to personal information.

Certain laws require us to collect, store and disclose information about you (including personal information), for example, the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (**AML/CTF Law**), the Corporations Act, the Foreign Account Tax Compliance Act (**FATCA**) and the Tax Laws Amendment (Implementation of the Common Reporting Standard) Act 2016 (**CRS**).

We may be required under the AML/CTF Law to provide information about you (including personal information) to the Australian Transaction Reports and Analysis Centre (**AUSTRAC**), the body responsible for regulating the AML/CTF Law.

In respect of investors who are ordinarily resident in a country other than Australia, both FATCA and CRS may require us to collect and disclose to the Australian Taxation Office information about you (including personal information) obtained from you.

If you do not provide the information requested in our application, we will not be able to process your application (including any application for additional units) and your application may be delayed or rejected. Where applications are delayed or refused, we are not liable for any loss you suffer (including consequential loss) as a result. Alternatively, if we accept your application to the

Fund when you have not provided all of the requested information, we may provide information about you to the relevant regulator.

We will be required to share information about you (including personal information) with service providers to the Trustee in respect of the Fund (including the Investment Manager) to ensure you receive the appropriate information and assistance in respect of your holding in the Fund.

By applying to invest in the Fund, you consent to your information (including your personal information) being collected, used and disclosed by the registry provider and by the Trustee for the purposes disclosed above and in their respective Privacy Policies.

You are entitled to access correct and update all personal information we hold about you. You can contact us to find out what personal information we hold about you or if you have any concerns about the completeness or accuracy of the information we hold. If you want us to correct any personal information we hold, please contact us using the details in this Information Memorandum.

A copy of our Privacy Policy is available on our website at www.oneinvestment.com.au and a paper copy will be sent to you free of charge on request.

Information about you

It's important to keep all your details with us (not just personal information) up to date.

If you think your records are incorrect or out of date — particularly your address, email address or any adviser you may have — it's important that you contact the Registrar, and it will be corrected free.

You must provide in a timely way all information regarding you and your investment which law requires;

for example, regarding your identity or the source or use of invested monies.

10. Legal

The trust deed

A trust deed (or constitution) establishes the Fund and together with this Information Memorandum and certain laws, it governs our relationship with you as an investor in the Fund. Please contact us if you wish to receive a copy of the Fund's Trust Deed.

Generally

The trust deed deals with a wide range of matters, including:

- the issue price of units,
- the nature of units of the Fund
all of the same class are identical,
- rights attaching to units
including that investors have a right to net income relating to their units and again, all units of the same class are identical,
- our powers
and how and when we can exercise them,
- when the Fund terminates
we intend to operate the Fund over the long term, however, we can terminate the Fund at any time and investors share net proceeds of asset realisation on a pro-rata basis,
- changing the Trust Deed
approval of 50% by value of units voted (in person or by proxy) at any relevant meeting is needed if the Trustee considers the amendments would materially adversely impact the investors as a whole, and
- investor meetings.

Our duties

If the Trustee acts in good faith and without negligence, fraud, dishonesty or wilful misconduct, it is not liable in equity, contract, tort or otherwise to investors for any loss suffered in any way relating to the trust.

Our liability to any person other than an investor in respect of properties of the Fund is limited to our actual indemnification from the assets for that liability.

We are entitled to be indemnified out of the assets for any liability incurred by us in relation to the Fund (including any liability incurred because of a delegate or agent), except to the extent that such liability arises directly from our (or our agent's or delegate's) failure to act in good faith or negligence, fraud, dishonesty or wilful misconduct.

We and our associates may hold units in the Fund in any capacity.

We may:

- deal with ourselves (as Trustee of the Fund or in any other capacity), any associate or any investor,
- be interested in any contract or transaction with ourselves (as trustee of the Fund or in any other capacity), any associate or investor, and
- act in the same or a similar capacity in relation to any other trust or managed investment scheme,

and retain any benefit or benefits from doing such dealing, interests or so acting.

We may take and may act (or not act as relevant) on any advice, information and documents which we have no reason to doubt as to authenticity, accuracy or genuineness. We are not liable for so acting or not acting on such advice, information and documents.

Each investor indemnifies us for all liability incurred by us arising directly or indirectly from the investor's breach of its obligations to us;

this indemnity is in addition to any indemnity under law and continues to apply after the investor ceases to be an investor.

To the maximum extent permitted by law, neither the Trustee nor the Investment Manager, nor any of their associates, related parties, directors, officers, employees, advisors (including financial, accounting and legal advisors) or representatives make any recommendation in relation to the Fund, or make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this Information Memorandum.

This Information Memorandum does not purport to contain all the information that a prospective Investor may require in evaluating a possible investment in the Fund. This Information Memorandum must be read in conjunction with the Fund's trust deed, a copy of which is available (free of charge) by contacting the Trustee on 02 8277 0000. To the extent there are any inconsistencies between the Trust Deed and this Information Memorandum, the Trust Deed will prevail.

Agreements

We have entered into an investment management agreement with the Investment Manager.

Under the Investment Management Agreement, the Trustee appoints the Investment Manager to:

- manage and invest the Fund's assets, and
- promote the Fund.

The Investment Manager must perform its functions consistently with law & policies.

We have also entered into:

- a fund accounting & administration agreement with the Administrator, Unity Fund Services Pty Ltd, and
- a unit registry agreement with the Registrar, One Registry Services Pty Ltd.

These agreements contain provisions discussed elsewhere in this document as well as provisions usual for these types of agreements, such as:

- fees and expenses,
- confidentiality,
- dispute management, and
- limits on indirect loss and for matters beyond a party's control.

Change of trustee

We may retire as trustee on at least 1 month's notice to investors.

We must also retire if:

- required by law, or
- when required to do by special resolution of investors
being a resolution passed at a duly convened meeting of investors at which votes cast in favour of the resolution represent at least 75% by value of voting rights voted, whether in person or by proxy.

When the trustee changes, the trustee may appoint a replacement subject to its agreement with the Investment Manager.

Meetings

Investor meetings are uncommon. Investors can generally attend and vote and meetings are largely regulated by the Fund's trust deed. The quorum is generally at least 2 investors present in person or by proxy together holding at least 10% of all units in the relevant class. The quorum is

different for a meeting if there is any proposal to remove the trustee, then the quorum is at least 2 investors present in person or by proxy together holding at least 75% of all units.

Winding up the Fund

Subject to our agreements with the Investment Manager, we can decide to terminate and wind up the Fund anytime, and if we do, we will generally sell all the investments, pay all monies owing (including expenses), and distribute the net proceeds to investors as soon as we consider practicable.

Complaints

The Trustee takes complaints seriously and aims to resolve all complaints as quickly as possible. In the first instance, if you have a complaint, then you should notify the Trustee immediately using the following contact details:

address

Level 16, Governor Macquarie Tower
1 Farrer Place, Sydney NSW 2000

post

Complaints Officer
PO Box R1471 Royal Exchange
NSW 1225

phone

02 8277 0000

email

complaints@oneasset.com.au

Once the Trustee receives a complaint, the Trustee will acknowledge it as soon as practicable and investigate the complaint with a view to resolving it and responding as soon as possible.

11. Other matters

Related party transactions and conflicts of interest

All dealings by One Fund Services with other parties are at commercial, arms' length terms.

The Trustee may however, from time-to-time, face conflicts between its duties to the Fund as trustee, its duties to other funds that it manages and its own interests. The Trustee will manage any conflicts in accordance with its conflicts of interest policy, the trust deed, ASIC policy as relevant and relevant law.

The Investment Manager is not a related party of the Trustee. The contractual arrangements between the Trustee and the Investment Manager are negotiated at arm's length between the parties.

The Trustee may from time-to-time enter into transactions with related entities. All transactions will be effected at market rates or at no charge.

The Trustee has appointed to assist with:

- fund Accounting & Administration: Unity Fund Services Pty Ltd, and
- unit registry: One Registry Services Pty Ltd,

each an associated company appointed in consultation with, and with agreement from, the Investment Manager.

One Fund Services has a conflicts of interest policy and register which it maintains in accordance with the law. It seeks to address any conflicts that may arise as part of One Fund Services' business and that relate to the Fund and the Fund specifically.

Investors may have conflicting investment, tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring of acquisitions and disposals of the Fund's assets.

Conflicts may arise in connection with decisions made by the Trustee or the Investment Manager regarding an investment that may be more beneficial to one investor than another, especially with respect to tax matters or the potential to provide co investment opportunities, as described above.

In structuring, acquiring and disposing of investments the Trustee and the Investment Manager may consider the investment and tax objectives of the Fund and its investors as a whole, not the investment, tax, or other objectives of any investor individually.

Sandon Capital is the Investment Manager for other funds that invest in many of the same assets as this Fund. Sandon endeavours to ensure that all portfolios are treated fairly by ensuring that, in general, trades in the assets are undertaken as block trades and allocated pro rata according to the size of each portfolio and accounting for inflows and outflows.

The Fund may be offered the opportunity to participate in transactions with the Investment Manager, its affiliates, or its clients by purchasing investments through the Investment Manager, or co-investing with the Investment Manager or its affiliates. The Fund may also invest in entities in which the Investment Manager or its affiliates hold interests.

In particular, the Fund may purchase investments that have been previously made by the Investment Manager and that are within the Fund's investment objectives. While any such transactions will be entered into on a basis that the Trustee and Manager believe to represent arm's-length terms and (where relevant) market rates, the Investment Manager may have an incentive to seek or refer or recommend such investments to the Fund, or to cause the Fund to pay a higher price for such investments, as a result of the Investment Manager or its affiliates' financial interests in such investments.

12. Contact details

Applications

Please contact the Registry.

Registry enquiries

Contact the Registrar

One Registry Services Pty Ltd

PO Box R1479

Royal Exchange NSW 1225 Australia

International: +61 2 8188 1510

F: +61 2 8580 5790

E: info@oneregistryservices.com.au

www.oneregistryservices.com.au

Investment enquiries

Contact the Investment Manager:

Sandon Capital Pty Ltd

E: info@sandoncapital.com.au

T: +61 8014 1188

www.sandoncapital.com.au

Trustee enquiries

Contact the Trustee

One Fund Services Limited

Level 16 Governor Macquarie Tower

1 Farrer Place Sydney NSW 2000

Sydney, NSW 2000 Australia

E: operations@oneinvestment.com.au

T: +61 8277 0000

www.oneinvestment.com.au