

# Notice of Unitholders' Meeting and explanatory memorandum

EGP Concentrated Value Fund  
Fund (ARSN 619 879 631)

## **Directors' recommendations**

The Directors of Fundhost Limited recommend that you read the Notice of Meeting (Meeting) and Explanatory Memorandum and then cast your vote on the Resolution, by completing and returning the Proxy Form prior to the Meeting.

Due to COVID-19 considerations the actual Meeting will be a virtual meeting with the risk of possible technical issues and long delays while we identify each Unitholder. This can be avoided by completing and returning your Proxy Form prior to the Meeting.

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## Important dates

Voting entitlements to be determined	Who can vote: 10.00 am, Sydney time, Friday 15 January 2021 Value of vote: Being the unit price calculated for 21 January 2021 (being the business day immediately prior to the Meeting)
Last time for lodgment of Proxy Forms	1.00 pm, Sydney time, Thursday 21 January 2021 (by mail or email (a scanned copy) any time before
Meeting time	10.00 am, Sydney time, Friday 22 January 2021 <i>By video and teleconference.</i> If you intend to vote at the Meeting, you will need to validate your identity with us at the pre-Meeting validation session between 9.00 and 9.30am, Sydney time, Friday 22 January 2021.

# Important information

## Introduction

This Notice of Meeting (**Meeting**) has been issued by Fundhost Limited (ABN 69 092 517 087, AFSL 233045) (**Fundhost**) as responsible entity of the EGP Concentrated Value Fund ARSN 619 879 631 (**Fund**).

## Why is the Meeting being called?

The Meeting is called to consider and, if thought fit, to pass a special resolution to adjust the performance fee methodology of the Fund as set out in the constitution for the Fund.

The Special Resolution is as follows:

- a) *The constitution (**Constitution**) of the EGP Concentrated Value Fund (ARSN 619 879 631) (**Fund**) be amended as set out in Schedule 1 to the Second Supplemental Deed Poll to the Constitution provided to Unitholders with this Notice of Meeting dated 16 December 2020 (**Amendment**); and*
- b) *Fundhost Limited as responsible entity of the Fund be authorised to do all things necessary to give effect to this special resolution including, without limitation, to execute and lodge with the Australian Securities and Investments Commission the Second Supplemental Deed Poll to the Constitution (including its Schedule 1) in relation to the Amendment referred to in paragraph a) of this Resolution.*

## What you should do

- 1 Read this Notice of Meeting and accompanying Explanatory Memorandum carefully. The Explanatory Memorandum explains the amendment to the Fund performance fee formula being sought. You should also read the separate “Message from the Investment Manager” prepared by EGP Concentrated Value Fund and accompanying this Notice of Meeting.
- 2 A link to the draft Second Supplemental Deed Poll to the Constitution is provided [here](#). Annexed to this Notice of Meeting and marked **Annexure 1**, is the extract from the Supplemental Deed Poll that shows the proposed technical changes to the performance fee formula. All changes appear in mark up.
- 3 Please complete the Proxy Form and return it to Fundhost at the address referred to in the Proxy Form on or before 1.00 pm, Sydney time, Thursday 21 January 2020.

**Due to circumstances beyond its control, Fundhost is not able to allow you to attend the Meeting in person.** Fundhost will be utilizing Zoom video and teleconference facilities which will be made available to you if you wish to participate and vote in the Meeting.

**FUNDHOST STRONGLY RECOMMENDS THAT YOU VOTE BY PROXY AHEAD OF THE MEETING TO AVOID TECHNICAL GLITCHES AND EXPECTED DELAYS THAT MAY ARISE WITH A VIRTUAL MEETING.**

- 4 Should you wish to participate by Zoom:

If you intend to vote at the Meeting, you must use the Zoom details to join the pre-Meeting validation session between 9.00 am and 9.30 am, Sydney time, on Friday 22 January 2020. You will need to have your Unitholder details available and share them with the chairperson of the Meeting for validation purposes. You can then use the same Zoom details to rejoin the Zoom session for the Meeting at 10 am, Sydney time, on Friday 22 January 2020.

*When joining the Zoom Meeting by computer:*

<https://zoom.us/j/92362999577?pwd=eWt3dzRFdTJkQUV1eklrTVRLMVFwdz09>

Meeting ID: 923 6299 9577  
Passcode: 120681

*When joining the Zoom Meeting by phone:*

Dial by your location

+61 8 6119 3900 Australia  
+61 8 7150 1149 Australia  
+61 2 8015 6011 Australia  
+61 3 7018 2005 Australia  
+61 7 3185 3730 Australia

Meeting ID: 923 6299 9577  
Passcode: 120681

5 If you are in doubt about what to do, you should seek professional advice.

### Chairperson

Fundhost has appointed Drew Wilson to chair the Meeting. Mr Wilson is a director and joint Chief Executive Officer of Fundhost and an experienced professional in the managed funds sector.

If for any reason Drew Wilson is unable to act as chair or if for any other reason Fundhost decides appropriate, Fundhost will appoint another person similarly qualified.

Fundhost intends to act as scrutineer for the Meeting. It will receive, tally and check the validity of all proxies received and votes cast at the Meeting

### What voting threshold will apply?

The Resolution to amend the performance fee within the Constitution is a special resolution in accordance with section 601GC(1)(b), meaning it can only be passed if it is supported by at least 75 percent of the votes cast by Unitholders entitled to vote on the Resolution.

All Unitholders are encouraged to vote on the Resolution by completing the Proxy Form and returning it to Fundhost at the address referred to in the Proxy Form on or before 1.00 pm, Sydney time, Thursday 21 January 2020.

### How are voting entitlements determined?

The Resolution will be decided on a poll, as required by section 253J(1) of the Corporations Act. On a poll, each Unitholder has one vote for each dollar value of their units in the Fund. So if you hold \$50,000 worth of units in the Fund, you have 50,000 votes.

Fundhost has determined that the persons who are entitled to vote at the Meeting will be determined by reference to Unitholders recorded in the Fund's register on Friday 15 January 2021 and the value of their units as at 10.00 a.m. Sydney local time, effective Thursday 21 January 2021.

Fundhost will disregard any votes cast by a person who is not entitled to vote because they are not a Unitholder of the relevant Fund as at 10.00 a.m. Sydney local time, effective Friday 15 January 2021, or because of section 253E of the Corporations Act. This section provides that Fundhost and its associates are not entitled to vote their interest on a Resolution at a meeting of the registered scheme's Unitholders

if they have an interest in the Resolution other than as a Unitholder. However, associates of Fundhost may vote as a proxy for another Unitholder who is not excluded from voting if the proxy specifies the way they are to vote on the Resolution.

As at the date of this Notice of Meeting, Fundhost has identified its associates who are also Unitholders of the Fund and who may be precluded from voting and will ensure those unitholders do not vote on the resolution. Please note the investment manager of the Fund, EGP Capital Pty Ltd (ABN 32 145 120 681, AFSL No. 499193) and its principal, Mr Tony Hansen, and other directors and owners hold units in the Fund as investors (as controllers and beneficial owners). They are not considered associates of the Fund and will vote on their units held in the Fund.

Any challenge to a Unitholder's right to vote may only be made at the Meeting itself and the chairperson will determine that Unitholder's eligibility. The decision of the chairperson is final.

### How to vote

Ordinarily, you would be entitled to attend the Meeting in person and cast your votes in person at the Meeting. Unfortunately, due to the Federal and State government measures that have been put in place to protect public health and safety and stop the spread of the COVID-19 virus, Fundhost is unable to allow you to attend the Meeting in person. Fundhost also cannot allow you to appoint any other person as a proxy or a representative of a company to attend the Meeting in person.

You will, however, have the opportunity to attend the Meeting via video and teleconference if you wish to do so and participate in any deliberations and/or vote on the day of the Meeting. You can participate by Zoom.

**ALTHOUGH WE HAVE SET UP A ZOOM VIRTUAL MEETING FACILITY, YOU ARE STRONGLY ENCOURAGED TO VOTE BEFORE THE MEETING BY PROXY**

If you intend to vote at the Meeting, you must use the Zoom details to join the pre-Meeting validation session between 9.00 am and 9.30 am, Sydney time, on Friday 22 January 2020. You will need to have your Unitholder details available and share them with the chairperson of the Meeting for validation purposes. You can then use the same Zoom details to rejoin the Zoom session for the Meeting at 10 am, Sydney time, on Friday 22 January 2020.

*When joining the Zoom Meeting by computer:*

<https://zoom.us/j/92362999577?pwd=eWt3dzRFdTJkQUV1eklrTVRLMVFwdz09>

Meeting ID: 923 6299 9577

Passcode: 120681

*When joining the Zoom Meeting by phone:*

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+61 2 8015 6011 Australia

+61 3 7018 2005 Australia

+61 7 3185 3730 Australia

Meeting ID: 923 6299 9577

Passcode: 120681

## Voting by Proxy

A Unitholder entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies. Each proxy will have the right to vote on the Resolution to be put to the Meeting and also to speak at the Meeting. If you complete and return a Proxy Form, you may still attend the Meeting (via video and teleconference), revoke the proxy and vote at the Meeting. However, you are strongly encouraged to vote before the Meeting by proxy. Please use the enclosed Proxy Voting form.

## Individuals

If you are an individual you must complete the Proxy Form. This can be done by printing and filling out a copy of the Proxy Form, signing it and sending it by mail, fax or email using the contact details shown on the Proxy Form.

## Corporates

If you are a corporate (including if you hold your units as trustee of a trust) you must print and fill out a copy of the Proxy Form, have the form signed on behalf of the company and send it by mail, or email to the address shown on the Proxy Form.

## Jointly held Units

If Units are jointly held, only one of the joint Unitholders is entitled to vote. If more than one Unitholder votes in respect of the Units, only the vote of the person named first in the register will be counted.

In addition to the above, details on how to complete the Proxy Form are set out at the back of the Proxy Form under the heading "Instructions for completion of Proxy Form".

## Voting deadline

The Proxy Form and the original power of attorney or authority (if any) under which the Proxy Form is executed, or a copy of that power or authority which has been notionally certified as a true copy, must be received (by mail, or email) no later than 1.00 pm, Sydney time, Thursday 21 January 2020 (collectively referred to as **Valid Proxy Appointment Documents**). Please ensure that sufficient time is allowed for postage on any Proxy Form sent by mail to ensure it arrives prior to the deadline. If the Proxy Form is not received by this time, it will be disregarded for the purposes of voting on the Resolution.

Due to the limitations on the way Fundhost can conduct the Meeting at this time, and because of the risk of technical issues and/or delays on the day of the Meeting, you are strongly encouraged to sign and submit your Valid Proxy Appointment Documents on time. You can however participate in the Meeting as detailed in the "How to vote" section.

If you intend to vote at the Meeting, you must use the Zoom details to join the pre-Meeting validation session between 9.00 am and 9.30 am, Sydney time, on Friday 22 January 2020. You will need to have your Unitholder details available and share them with the chairperson of the Meeting for validation purposes. In addition, if you are voting by proxy at the Meeting, the chairperson of the Meeting will need to sight the Valid Proxy Appointment Documents for validation purposes at the pre-Meeting validation session.

You will then use the same Zoom details to re-join the Zoom session for the Meeting at 10 am, Sydney time, on Friday 22 January 2020. If we have not validated your identity prior to the Meeting at the pre-Meeting validation session, you will not be able to vote at the Meeting.

## Quorum

Under the Corporations Act, the quorum for the Meeting is two Unitholder and the quorum must be present at all times during the Meeting.

If no quorum is present within 15 minutes after the scheduled time for the Meeting, then the Meeting will be adjourned to such place and time as Fundhost decides.

### Outcome of Meeting

The final outcome of the Resolution will also be made available at <https://fundhost.com.au/fund/egp-concentrated-value-fund/>

### Where to find out more

If Unitholders have any questions regarding the Notice of Meeting including how to fill in the proxy and appointment of representative form please email Fundhost on [admin@fundhost.com.au](mailto:admin@fundhost.com.au) providing your query and return phone number and Fundhost will respond to your query.



# Notice of Unitholders' Meeting

## EGP Concentrated Value Fund ARSN 619 879 631

Notice is given by Fundhost, in its capacity as responsible entity of the Fund, that a Unitholders' Meeting will be held at:

Location	<i>By Zoom Meeting</i>
Date	Friday 22 January 2021
Time	10.00 am Sydney time

### Special Business

To consider and, if in favour, pass the following resolution as a special resolution:

*a) The constitution (**Constitution**) of the EGP Concentrated Value Fund (ARSN 619 879 631) (**Fund**) be amended as set out in Schedule 1 to the Second Supplemental Deed Poll to the Constitution provided to Unitholders with this Notice of Meeting dated 16 December 2020 (**Amendment**); and*

*b) Fundhost Limited as responsible entity of the Fund be authorised to do all things necessary to give effect to this special resolution including, without limitation, to execute and lodge with the Australian Securities and Investments Commission the Second Supplemental Deed Poll to the Constitution (including its Schedule 1) in relation to the Amendment referred to in paragraph a) of this Resolution.*

### Notes

- (a) A Unitholder who is entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy.
- (b) The proxy need not be a Unitholder of the Fund. A Unitholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the attached Proxy Form.
- (d) A corporation may elect to appoint a representative in accordance with the Corporations Act in which case Fundhost will require written proof of the representative's appointment which must be lodged with or presented to Fundhost before the Meeting.
- (e) Capitalised terms used in this Notice of Meeting and Explanatory Memorandum have the meanings given to those terms in the Glossary contained in the Explanatory Memorandum.
- (f) If you have any queries on how to cast your votes then email Fundhost at [admin@fundhost.com.au](mailto:admin@fundhost.com.au)

# Explanatory memorandum

EGP Concentrated Value Fund ARSN 619 879 631

## Introduction

The purpose of this explanatory memorandum is to help you understand and assist you in deciding how to vote on the Resolution to be put forward at the Meeting of Unitholders of the Fund.

Please read this entire document carefully. If you are unsure about what to do, you should seek professional advice.

## Why has the Meeting been called?

EGP Capital Pty Ltd (ABN 32 145 120 681, AFSL 499193) (**EGP Capital**) is the investment manager of the Fund. Tony Hansen of EGP Capital has advised Fundhost that he would like to change an aspect of the performance fee formula contained in the Constitution for the Fund, so that it operates in the manner he originally intended the performance fee to operate.

The Performance Fee as currently described in the Fund's Product Disclosure Statement is as follows:

*A performance fee is payable to EGP Capital in respect of each year ending 30 June when the investment performance of the Fund has exceeded the benchmark, being the S&P/ASX 200 Total Return Index, and positive performance is achieved. The performance fee is applied to the total return of the Fund (after any fees and expenses have been deducted) that is in excess of the benchmark return, and is accrued monthly and paid annually in arrears. The Performance Fee payable on the outperformance against the benchmark is 20.5% for net asset values of the Fund up to \$50 million, reducing to 15.375% for net asset values over \$50 million. When the total return of the Fund is less than the benchmark return, no performance fee is payable. No performance fee is payable until any previous periods of underperformance have been made up. When the absolute return of the Fund is negative but the Fund has performed better than the benchmark, the relative outperformance of the Fund in percentage terms is carried forward to ensuing period(s).*

The proposed changes to the performance fee formula contained in the Constitution relate to calculation of the Fund's relative outperformance over time. Relative outperformance refers to the difference between the Fund's performance and the Fund's benchmark performance. The Fund's objective is to outperform the benchmark by 3-5% per annum. The only income EGP Capital receives for managing the assets of the Fund is from the performance fee, when the Fund achieves this outperformance.

Currently if a performance fee is not paid, then the relative out-performance figure for the year is captured and carried forward. This figure is carried forward and added to the relative outperformance of the next financial year to determine if a fee is to be paid, and so on until positive absolute performance and relative outperformance is achieved and a fee is paid. This methodology is also used to measure the relative outperformance on a monthly basis in order to accrue the performance fee into the unit price.

To demonstrate how it is currently calculated see below the Fund's relative performance since inception.

<b>Financial year investment period</b>	<b>Relative Performance against benchmark</b>
From the period 15/08/2017* – 30/06/2018	The Fund underperformed by -10.60%
From the period 01/07/2018 – 30/06/2019	The Fund underperformed by -6.92%
From the period 01/07/2020 – 30/06/2020	The Fund outperformed by 9.66%

\*Inception date of the Fund

Over these 3 periods, using additive outperformance methodology, the Fund underperformed by -7.85% (rounding applied), determined by adding the outperformance figure from each year:

$$-7.85\% = (-10.60\% - 6.92\% + 9.66\%).$$

### About the Revised Performance Fee

EGP Capital wishes to amend the performance fee methodology so that the calculation is based on the compounded return of the Fund adjusted for distributions since the last performance fee was paid, less the compounded return of the benchmark.

To demonstrate the difference using the proposed formula over the history of the Fund the relative underperformance from inception to 30/06/2020 is -7.13% (rounding applied). Under the current methodology as demonstrated above the underperformance figure is -7.85% (rounding applied).

The change in methodology may affect the value of the performance fee the other way also. For example, for the month of September 2020, the new proposed formula would record a unit price loss of -1.70%, while the existing performance fee calculation methodology would only record a loss of -1.57%. So in some scenarios the current methodology could result in a higher performance fee and some instances the new performance fee could result in a higher fee.

The revised performance fee workings are set out in the extract of Schedule 1 to the Second Supplemental Deed Poll to the Constitution, a copy of which is annexed to this document and marked Annexure 1. A link to the full draft Second Supplemental Deed Poll to the Constitution is provided [here](#).

Feature of performance fee	Feature of existing performance fee	Feature of revised performance fee
Outperformance of benchmark required for a performance fee to be paid	Yes	Yes
Performance fee of 20.5% on outperformance of first \$50m and 15.375% on monthly average funds under management greater than \$50 m	Yes	Yes
Positive performance is required for the fee to be paid to EGP Capital*	Yes	Yes
Historic underperformance needs to be made up before a fee is paid	Yes	Yes
Performance is measured monthly and accrued in the unit price, and paid (when applicable) annually for each financial year period*	Yes	Yes
Performance is measured monthly, from the first day of the current financial year to the latest unit price. This is then added to the previous financial years performance, back until a performance fee was last paid	Yes	No
Performance is measured monthly, from the last time a performance fee was paid (or inception if a fee has not been paid before) to the latest unit price	No	Yes

\* Note that if you withdraw units before the end of a performance period, the accrued performance fee referable to that performance period will be incorporated into the redemption price.

Under section 601GC of the Corporations Act, an amendment to the constitution of a registered managed investment scheme must be approved by a special resolution of Unitholder unless the responsible entity reasonably considers that the amendment will not adversely affect Unitholders' rights. Where a change could result in a potentially higher fee (even though it may also result in a potentially lower fee at time), Fundhost is required to obtain unitholder approval to the change.

### Directors' recommendations

The Directors of Fundhost recommend that all Unitholders read the Notice of Meeting and accompanying explanatory memorandum in full and that you consider the Resolution carefully.

You are encouraged to cast your vote. Due to the limitations on the way Fundhost can conduct the Meeting at this time, and because of the risk of technical issues and/or delays on the day of the Meeting, you are strongly encouraged to sign and submit your Valid Proxy Appointment Documents on time. You can however participate in the Meeting as detailed in the "How to vote" section.

EGP Capital, the investment manager for the Fund, recommends that you vote in favour of the Resolution. Please refer to the separate "Message from the Investment Manager" document prepared by EGP Capital and accompanying this Notice of Meeting.

### Will holding the Meeting be a cost borne by Unitholders?

No costs of the Meeting will not be borne by Unitholders of the Fund.

### When will the Constitution of the Fund be amended if the Resolution is passed?

Fundhost as responsible entity will sign the Second Supplemental Deed Poll to make the amendments to the Constitution that Unitholders approve. The amendments to the Constitution will take effect when a copy of the amendments has been lodged with ASIC. It is expected that the Second Supplemental Deed Poll will be signed and lodged with ASIC after the Meeting, so the amendments will take effect on or about 22 January 2021 and be captured in the 31 January 2021 unit price.

The PDS disclosure will also need to be amended to reflect the revised performance fee methodology.

### When will the Revised Fee Arrangements take effect if the Resolution is passed?

The new performance fee formula will be used in the calculation of the end of month unit price and the accrual of the performance fee subsequent to the unit holder Meeting.

### What will happen if the Resolution does not pass?

If the Resolution does not pass for the Fund, the Constitution will not be amended and the revised performance fee will not be introduced for the Fund.

### Will there be any other changes to how the Fund operates?

No, EGP Capital is not otherwise seeking to change any operational arrangements relating to the Fund. EGP Capital will continue to be the investment manager and Fundhost will continue to be the responsible entity. If we were to make significant changes to the Fund we will advise you in advance.

### Can I withdraw my money?

Unitholders can withdraw their money from the Fund in accordance with the PDS and Constitution of the Fund.

## Glossary

AFSL	means Australian financial services licence
ASIC	means the Australian Securities and Investments Commission
Fundhost	means Fundhost Ltd (ABN 69 092 517 087, AFSL 233045)
Constitution	means the trust deed establishing the Fund dated 3 July 2017, as amended
Corporations Act	means the <i>Corporations Act 2001</i> (Cth)
Directors	means the directors of Fundhost
Explanatory Memorandum	means the explanatory memorandum contained in this Notice of Meeting
Fund	means EGP Concentrated Value Fund ARSN 619 879 631
Meeting	means the meeting called pursuant to the Notice of Meeting to consider the Resolution, and any adjournment of that meeting
Notice of Meeting	means this document, including the Explanatory Memorandum, Proxy Form and Annexure
Proxy Form	means this proxy form contained in this Notice of Meeting
Resolution	means the special resolution set out in this Notice of Meeting
Unit	means an undivided interest in the Fund
Unitholder	means a person who holds a Unit

**Fund:** EGP Concentrated Value Fund  
**ARSN:** 619879631

All correspondence to:  
Fundhost Ltd  
PO Box N561  
Grosvenor Place  
Sydney NSW 1220  
(Fax)+ 61 (0)2 9232 8600  
[proxy@fundhost.com.au](mailto:proxy@fundhost.com.au)  
[admin@fundhost.com.au](mailto:admin@fundhost.com.au)

## Proxy Form

### Section 1: Name and address of Unitholder

Full name

Address

Account  
Number(s)

### Section 2: Appointment of proxy

I, being a Unitholder of the Fund and entitled to attend and vote appoint

the Chairman of the Meeting  
(mark with an 'X')

OR

Write here the full name of the person or body corporate you are appointing if this person **is someone other than** the Chairman of the Meeting.

or failing the person or body corporate named, or if no person or body corporate is named, the Chairperson of the Meeting, as my proxy to attend, to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit), and to act generally on my behalf, at the Meeting of the Fund to be held at:

Location	Zoom virtual Meeting
Date	Friday, 22 January 2021
Time	10.00 am Sydney time

and at any adjournment of that Meeting.

### Section 3: Voting instructions

Voting directions to proxy – please mark to indicate your directions.

For	Against	Abstain*
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**Special Resolution – “That:**

- a) the constitution (**Constitution**) of the EGP Concentrated Value Fund (ARSN 619 879 631) (**Fund**) be amended as set out in Schedule 1 to the Second Supplemental Deed Poll to the Constitution provided to Unitholders with the Notice of Meeting dated 16 December 2020 (**Amendment**); and
- b) Fundhost Limited as responsible entity of the Fund be authorised to do all things necessary to give effect to this special resolution including, without limitation, to execute and lodge with the Australia Securities and Investments Commission the Second Supplemental Deed Poll to the Constitution (including its Schedule 1) in relation to the Amendment referred to in paragraph a) of this Resolution.

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\*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf and your votes will not be counted in computing the required majority on a poll.

If you leave any of the boxes blank you acknowledge that the Chairperson may exercise your proxy even if he or she has an interest in the outcome of the Resolution, and that votes cast by him or her, other than as proxy holder, would be disregarded because of that interest. The Chairperson intends to vote all undirected proxies in favour of the Resolution.

### Section 4: Signing by Unitholder

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Unitholder 1	Unitholder 2 (if joint holding)	Unitholder 3 (if joint holding)
<div style="border: 1px solid black; width: 260px; height: 25px;"></div>	<div style="border: 1px solid black; width: 280px; height: 25px;"></div>	<div style="border: 1px solid black; width: 270px; height: 25px;"></div>
Sole Director and Sole Secretary	Director/Company Secretary (delete one)	Director

Please provide the information below in case we need to contact you.

		/ /
Contact name	Contact daytime telephone	Date

# Instructions for completion of Proxy Form

## Section 1: Name and address of Unitholder

1. Insert your name and address. If it is a joint holding, insert details of all holders.

## Section 2: Appointment of proxy

2. If you wish to appoint the Chairperson of the Meeting as your proxy, mark the box. If the person or body corporate you wish to appoint as your proxy is someone other than the Chairperson of the Meeting, write the full name of that person or body corporate in the space provided. A proxy may be an individual or a body corporate. If you leave this section blank or your named proxy does not attend the Meeting, the Chairperson of the Meeting will be your proxy. A proxy need not be a Unitholder of the Fund.
3. If you are entitled to cast two or more votes at the Meeting, you are entitled to appoint two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning Fundhost. Alternatively you may copy this form.
4. To appoint a second proxy:
  - (a) on each of the first Proxy Form and second Proxy Form state the percentage of your voting rights or number of Units in the Fund applicable to that form (if the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise one half of your votes, and fractions of votes will be disregarded); and
  - (b) return both forms in the same envelope.

## Section 3: Voting instructions

5. You may direct your proxy how to vote on an item of business by placing a mark in one of the three boxes opposite that item of business. All of your Units will be voted in accordance with your direction unless you indicate a proportion of voting rights on any item by inserting the percentage or number of Units you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may decide whether or how to vote on that item. If you mark more than one box on an item, your vote on that item will be invalid.

## Section 4: Signing by Unitholder

6. You must sign this form as follows in the spaces provided:

Individual	Where the holding is in one name, the Unitholder must sign.
Joint holding	Where the holding is in more than one name, all of the Unitholders must sign.
Power of Attorney	To sign under power of attorney, the power of attorney must have already been lodged with Fundhost for notation on the Fund's Unit register by 1.00 pm, Sydney time, 21 January 2020.
Companies	In the cases set out below, the following person must sign: <ol style="list-style-type: none"><li>(a) Australian proprietary company with a sole director who is also the sole company secretary - that person must sign;</li><li>(b) Australian proprietary company with a sole director and no company secretary - that person must sign;</li><li>(c) other Australian companies - two directors, or one director and one company secretary must sign; and</li><li>(d) foreign company - in accordance with the laws of the jurisdiction of incorporation and constituent documents.</li></ol>



## Section 5: Lodging of proxy

7. This Proxy Form (and the original or a certified copy of any power of attorney under which it is signed) must be received by Fundhost not later than close of business on the date set out below, by mail or email.

Last time and date for lodgment	1.00 pm, Sydney time, 21 January 2021*
By mail	Fundhost, PO Box N561 Grosvenor Place Sydney NSW 1220
By email	<a href="mailto:proxy@fundhost.com.au">proxy@fundhost.com.au</a> or <a href="mailto:admin@fundhost.com.au">admin@fundhost.com.au</a>
By fax	+ 61 (0)2 9232 8600

\* Any Proxy Form received after that time will not be valid.

8. If you intend to vote in person or by proxy on the day of the Meeting, you will need to have your Unitholder details available and share them with the chairperson of the Meeting for validation purposes. In addition, if you are voting by proxy, the chairperson of the Meeting will need to sight the Valid Proxy Appointment Documents for validation purposes. Please allow sufficient time before the Meeting for the chairperson to conduct the above validation.

# Annexure 1 | Extract from Second Supplemental Deed Poll

Provided below is the performance fee extract only, showing the proposed adjustments to the performance fee. The full proposed Second Supplemental Deed Poll can be found [here](#).

## Schedule 1 ~ Performance fee

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The Responsible Entity (who may pay this entirely to the Investment Manager) is entitled to a performance fee in respect of each Performance Calculation Period.

### Obtain ~~appropriate period-end Unit price~~ total return of the fund

1. ~~1. Look up  $UP_0$ , which~~  $TR_n = (UP_n + \text{distributions declared at time } = n) / UP_0$

$UP_n$  is the ~~ex distribution~~ Trust Unit Price ~~on the last Business Day at time  $n$  of the preceding Performance Calculation Period (defined at the end of this Schedule 1) (this takes into account various fees and accruals including performance fee accrual). For the first Performance Calculation Period, use the price on the commencement date of the Trust;~~

2. Calculate  $UP_1$  which is the ~~cum- or the ex~~ distribution Trust Unit Price ~~on the last Business Day of the Performance Calculation Period at that time if a distribution has been declared,~~ before any accrued performance ~~fees~~ fees.

Trust Unit Price means:  $\frac{\text{Value of the Net Assets}}{\text{Number of Units on issue}}$

$UP_0$  is the Trust Unit Price or ex distribution Trust Unit Price if available at the last Total Return calculation, before any accrued performance fees and adjusted down for performance fees paid during the Total Return calculation period.

2. if there are multiple distributions in the performance fee calculation period, then compound each of the above total return calculations at each distribution using: Total Return for Fund in the performance period =  $(1+TR_1) * (1+TR_2) \dots (1+TR_n) - 1$

### Has there been a positive Unit price return for the period?

3. Is  $UP_0$  greater than or equal to  $UP_1$ ? is the total Return of fund in the performance period negative? If yes, no performance fee is payable, but the calculations in paragraphs 4 to ~~137~~ still need to be performed.

### Obtain appropriate benchmark levels

4. Look up  $I_0$  which is the level of the benchmark (being the [S&P/ASX 200 TOTAL RETURN INDEX](#)) on the last Business Day of the preceding Performance Calculation Period (or, where the Fund is new, the benchmark on the commencement date of the Fund).

5. Look up  $I_1$ , which is the level of the benchmark on the last Business Day of the Performance Calculation Period.

## Calculate outperformance for the period in percentage terms

6. Outperformance percentage is calculated as:

$$OPP = \frac{(UP_1/UP_0) \text{ Total Return of fund in the performance period} - (I_1/I_0 - 1)}{1}$$

OPP may be positive, negative or 0.

### ~~Adjust for prior period OPP if appropriate~~

~~7. Identify  $OPPC_0$ , being the amount which is to be brought forward from a prior period (determined as explained in paragraphs 8–10 below).  $OPPC_0$  can be a positive amount, a negative amount or 0.~~

~~8. If a performance fee was paid in respect of the prior period  $OPPC_0$  will be 0.~~

~~9. For the first Performance Calculation Period  $OPPC_0$  will be 0.~~

~~10. If paragraphs 7 to 9 above do not apply,  $OPPC_0$  will be  $OPPC_1$  from the previous Performance Calculation Period.~~

### ~~Calculate $OPPC_1$~~

~~11. Calculate  $OPPC_1 = OPP + OPC_0$ .~~

~~When  $OPPC_1$  is negative no performance fee is paid~~

~~12. When  $OPPC_1 > 0$ , When  $OPP$  is positive it is multiplied by the monthly average funds under management for the Performance Calculation Period and that amount is multiplied by up to N% (excluding GST) and paid to the Investment Manager, provided performance is positive (i.e. paragraph 3 has been satisfied).~~

For these purposes, N is:

- 20%, where the ~~Value of the Net Assets~~ monthly average funds under management for the Performance Calculation is \$0 to \$50 million; and
- 15% for the ~~Value of~~ monthly average funds under management for the Net Assets Performance Calculation over \$50 million.

For example, if the ~~Value of~~ monthly average funds under management for the Net Assets Performance Calculation is \$60 million, N is 20% for the first \$50 million, then N is 15% on the remaining \$10 million.

## Performance Calculation Periods

The first Performance Calculation Period is the period from the commencement of the Trust to the ~~next 30 June.~~ year ending 30 June where a performance fee is deemed payable.

Subsequent Performance Calculation Periods are ~~for the twelve month periods~~ from the first day after the preceding Performance Calculation Period to the ~~next year ending 30 June~~ where a performance fee is deemed payable.

If the term expires on a day other than 30 June, the last Performance Calculation Period is the period from the first day after the preceding Performance Calculation Period to the date the Trust is terminated.

The performance fee is determined at a frequency matching the calculation of Unit pricing so that a corresponding performance fee accrual (if any) can be determined.

The performance fee is to be paid annually in arrears within 30 days of the end of the Performance Calculation Period.

**Performance fee to be paid as Units**

Where a performance fee is to be paid, the amount of the performance fee will be paid to the Investment Manager as Units in the Fund (Manager Units). Manager Units will be issued at the mid price (that is, without any Spread applied).