

# FAT PROPHETS GLOBAL PROPERTY FUND

ARSN 619 970 786

(Trust)

## NOTICE OF EXTRAORDINARY GENERAL MEETING AND EXPLANATORY MEMORANDUM

---

In accordance with s252B of the Corporations Act 2001 (Cth), notice is hereby given that an Extraordinary General Meeting of Fat Prophets Global Property Fund (ARSN 619 970 786) (Trust) will be held **virtually and in person** at **2:00pm** (Sydney time) on **Thursday, 10 November 2022** at **Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000** and online at <https://meetings.linkgroup.com/FPP22>.

---

### IMPORTANT INFORMATION

This is an important document that should be read in its entirety.

This Notice of Meeting includes an Explanatory Memorandum as an appendix. The Explanatory Memorandum has been prepared to assist Unitholders in determining whether to vote in favour of or against the Resolutions set out in this Notice of Meeting.

The Explanatory Memorandum should be read in conjunction with this Notice of Meeting.

---

You are encouraged to attend the meeting, but if you cannot, you are requested to complete and return the enclosed Proxy Form without delay:

By post to Link Market Services Limited: **Fat Prophets Global Property Fund, C/- Link Market Services Limited, Locked Bag A14 Sydney South NSW 1235 Australia.**

By hand delivery to Link Market Services Limited at: **Link Market Services Limited, Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150** (during business hours Monday to Friday (9:00am – 5:00pm)).

Online to Link Market Services Limited: **by visiting <https://investorcentre.linkgroup.com> and following the instructions.**

By fax to Link Market Services Limited: **+61 2 9287 0309.**

By mobile device to Link Market Services Limited: **By scanning the QR code on the Proxy Form and following the instructions.**

## FAT PROPHETS GLOBAL PROPERTY FUND

ARSN 619 970 786

### NOTICE OF EXTRAORDINARY GENERAL MEETING

Thursday, 10 November 2022

Notice is hereby given that, in accordance with s252B of the *Corporations Act 2001 (Cth)* (**Act**), Lanyon Asset Management Pty Ltd (ACN 140 631 714) has requested that the Responsible Entity convene an Extraordinary General Meeting of Unitholders (**Meeting**) of Fat Prophets Global Property Fund (**Trust**) and the Responsible Entity has determined it will be held **virtually and in-person** at **2:00pm** (Sydney time) on **Thursday 10 November 2022** at **Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000** and virtually at <https://meetings.linkgroup.com/FPP22>.

The Explanatory Memorandum that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered at the Meeting. Please ensure you read the Explanatory Memorandum in full.

#### AGENDA

#### 1. RESOLUTION 1 – AMENDMENT TO THE CONSTITUTION

To consider and, if thought fit, to pass, the following Resolution as a **special resolution**:

"That for the purposes of section 601GC(1)(a) of the Act, clause 26.1(a)(i) of the constitution of Fat Prophets Global Property Fund, and for all other purposes, the constitution of Fat Prophets Global Property Fund be amended by replacing clause 16.4 (excluding the heading) with the following:

*"(a) Without limiting the effect of clauses 16.1 to 16.3(c), the Trustee in its capacity as trustee of the Trust has the power to enter into Investment Management Agreement.*

*(b) Notwithstanding clause 16.4(a), the Trustee must terminate the investment management agreement dated 11 July 2017 between the Trustee and Fat Prophets Funds Management Pty Ltd, and must do so within 5 business days of this clause 16.4(b) being inserted into the Constitution.*

*(c) Notwithstanding clause 16.4(a), the Trustee must not enter into an Investment Management Agreement with Fat Prophets Funds Management Pty Ltd or any of its related bodies corporate.*

*(d) The Trustee must appoint Lanyon Asset Management Pty Ltd (ACN 140 631 714) as the investment manager of the Trust on the same terms as the investment management agreement dated 11 July 2017 between the Trustee and Fat Prophets Funds Management Pty Ltd, except with a fixed initial term of five years from the date of appointment, with immediate effect upon termination of the investment management agreement in accordance with clause 16.4(b)."*

and the responsible entity for the Fat Prophets Global Property Fund do all things necessary to give effect to this resolution, including by executing a supplemental deed poll and complying with any requirements of the Act that apply, in accordance with clause 26.1(b) of the constitution of Fat Prophets Global Property Fund."

Resolution 1 is a special resolution. This means that Resolution 1 will be passed if more than 75% of the votes cast by Unitholders of the Trust entitled to vote on Resolution 1 and present at the Meeting (either in person or by proxy) are cast in favour of Resolution 1.

### **Voting Exclusion Statement:**

The Responsible Entity will disregard any votes cast on Resolution 1 by or on behalf of:

- the Responsible Entity; and
- an associate of the Responsible Entity.

However, the Responsible Entity need not disregard a vote if:

- it is cast by a person or proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; and
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **2. RESOLUTION 2 – CHANGE OF NAME OF TRUST**

Conditional on Resolution 1 being passed by Unitholders by way of special resolution, to consider and, if thought fit, to pass, the following Resolution as an **ordinary resolution**:

*"That, conditional on Resolution 1 being passed,*

- *for the purposes of section 601GC(1)(b) of the Act, clause 26.1(a)(i) of the constitution of Fat Prophets Global Property Fund, and for all other purposes, the constitution of Fat Prophets Global Property Fund be amended to rename the Trust, the Lanyon Global Fund; and*
- *the responsible entity for the Fat Prophets Global Property Fund does all things necessary to give effect to this resolution, including by executing a supplemental deed poll and complying with any requirements of the Act that apply, in accordance with clause 26.1(b) of the constitution of Fat Prophets Global Property Fund."*

Resolution 2 is an ordinary resolution. This means that Resolution 2 will be passed if more than 50% of the votes cast by Unitholders of the Trust entitled to vote on Resolution 2 and present at the Meeting (either in person or by proxy) are cast in favour of Resolution 2.

## Other Information

### *Entitlement to Vote*

In accordance with Section 1074E(2)(g)(i) of the Act, and Regulation 7.11.37 of the Corporations Regulations, the Responsible Entity has determined that, for the purposes of voting at the Meeting, Unitholders are those persons who are the registered holders of Units at **2:00pm** (Sydney Time) **Tuesday, 8 November 2022**.

### *How to vote*

Unitholders entitled to vote at the Meeting may vote by:

- **attending the meeting and voting in person or virtually**, by attending either the virtual or physical Meeting and voting in person or virtually; or
- **by an attorney**, by appointing an attorney to attend the Meeting and vote on their behalf or, in the case of corporate Unitholders or proxies, a corporate representative to attend the Meeting and vote on its behalf; or
- **by proxy**, by appointing a proxy to attend and vote on their behalf, using the Proxy Form accompanying this Notice of Meeting. A proxy may be an individual or a body corporate; or
- **online**, by visiting <https://investorcentre.linkgroup.com> and following the instructions on your Proxy Form to submit your voting intentions by **2:00pm (Sydney time) on Tuesday, 8 November 2022**.

### *Voting in person (or by attorney)*

Unitholders or their proxies, attorneys or representatives (including representatives of corporate proxies) wishing to vote in person should attend the Meeting and bring a form of personal identification (such as their driver's licence). Those attending virtually who wish to vote and/or ask a question during the Meeting must provide their postcode and "Holder Identifier", which is their Securityholder Reference Number (SRN) or Holder Identification Number (HIN). Further information is included in the Virtual Meeting Online Guide, which is available at <https://www.oneinvestment.com.au/fat-prophets-global-property-fund/>.

To vote by attorney at the Meeting, the original or a certified copy of the power of attorney or other authority (if any) under which the instrument is signed must be received by Link Market Services Limited before **2:00pm** (Sydney time) on **Tuesday, 8 November 2022** any of the following ways:

By Email: By emailing [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

By Mail to: Fat Prophets Global Property Fund  
C/- Link Market Services Limited  
Locked Bag A14

In Person at: Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150

(during business hours Monday to Friday (9:00am – 5:00pm))

To vote in person, you or your proxy, attorney, representative or corporate proxy representative must attend the Meeting to be held virtually via the link <https://meetings.linkgroup.com/FPP22> or in-person at **Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000** on **Thursday 10 November 2022** commencing at **2:00pm** (Sydney time).

A vote cast in accordance with the appointment of a proxy or power of attorney is valid even if before the vote was cast the appointor:

- died;
- became mentally incapacitated;
- revoked the proxy or power; or
- transferred the Units in respect of which the vote was cast,

unless the Trust received written notification of the death, mental incapacity, revocation or transfer before the meeting or adjourned meeting.

#### *Voting by proxy*

Unitholders wishing to vote by proxy at the Meeting must:

- complete and sign or validly authenticate the Proxy Form, which is enclosed with this Explanatory Memorandum; and
- deliver the signed and completed Proxy Form to the Trust by **2:00pm** (Sydney time) on **Tuesday, 8 November 2022** in accordance with the instructions below.

#### *Submitting proxy votes*

Unitholders wishing to submit proxy votes for the virtual Meeting must return the enclosed Proxy Form to the Trust in any of the following ways:

hand deliveries: **Link Market Services Limited, Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150** (during business hours Monday to Friday (9:00am – 5:00pm)).

postal deliveries: **Fat Prophets Global Property Fund, C/- Link Market Services Limited, Locked Bag A14 NSW 2150.**

online: **By visiting <https://investorcentre.linkgroup.com> and following the instructions.**

By fax: **+61 2 9287 0309.**

By mobile device: **By scanning the QR code on the Proxy Form and following the instructions.**

A Unitholder entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote at the Meeting on that Unitholder's behalf.

#### *Notes for proxies*

- A proxy need not be a Unitholder.
- A proxy may be an individual or a body corporate. A proxy that is a body corporate may appoint a representative to exercise the powers that the body corporate may exercise as the Unitholder's proxy.
- If a Unitholder appoints two proxies and the appointment does not specify the proportion or number of the Unitholder's votes each proxy may exercise, each proxy may exercise half the votes.
- A proxy may vote or abstain as he or she chooses except where the appointment of the proxy directs the way the proxy is to vote on a particular resolution. If an appointment directs the way the proxy is to vote on a particular resolution;

- if the proxy is the chair - the proxy must vote on a poll and must vote in the way directed; and
  - if the proxy is not the chair - the proxy need not vote on a poll, but if the proxy does so, the proxy must vote in the way directed.
- If a proxy appointment is signed or validly authenticated by the Unitholder but does not name the proxy or proxies in whose favour it is given, the Chairman may either act as proxy or complete the proxy appointment by inserting the name or names of one or more directors of the Responsible Entity.
- If:
- a Unitholder nominates the Chairman of the meeting as the Unitholder's proxy; or
  - the Chairman is to act as proxy if a proxy appointment is signed by a Unitholder but does not name the proxies in whose favour it is given or otherwise under a default appointment according to the terms of the Proxy Form,
- then the person acting as Chairman in respect of an item of business at the meeting must act as proxy under the appointment in respect of that item of business.
- Proxy appointments in favour of the Chairman of the meeting, a representative of the Responsible Entity which do not contain a direction will be voted in support of the Resolutions (in the absence of a superior proposal prior to the date of the meeting).

*Notes for corporate representatives*

- To vote in person at the Meeting, a Unitholder or proxy which is a body corporate may appoint an individual to act as its representative.
- To vote by corporate representative at the Meeting, a corporate Unitholder or proxy should obtain an Appointment of Corporate Representative Form from Link Market Services Limited at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au), complete and sign the form in accordance with the instructions on it. The appointment must be received at [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au) prior to admission to the Meeting.
- The appointment of a representative may set out restrictions on the representative's powers.
- The original form of appointment of a representative, a certified copy of the appointment, or a certificate of the body corporate evidencing the appointment of a representative is prima facie evidence of a representative having been appointed.

The Chairman of the Meeting may permit a person claiming to be a representative to exercise the body's powers even if he or she has not produced a certificate or other satisfactory evidence of his or her appointment.

## **Questions and Comments from Unitholders**

Reasonable opportunity will be given to Unitholders to ask about the management of the Trust at the Meeting.

Unitholders may submit written questions to the Trust in advance of the Meeting by email to the Responsible Entity at [fatprophets@oneinvestment.com.au](mailto:fatprophets@oneinvestment.com.au).

Questions must be received by the Trust no later than five (5) days before the Meeting.

By order of the Board of directors of One Managed Investment Funds Limited as responsible entity for Fat Prophets Global Property Fund.

A handwritten signature in blue ink, appearing to read 'Frank Tearle', is positioned above the printed name and title.

**Frank Tearle**  
**Director**  
**One Managed Investment Funds Limited**  
**7 October 2022**

# EXTRAORDINARY GENERAL MEETING EXPLANATORY MEMORANDUM

This Extraordinary General Meeting (**Meeting**) Explanatory Memorandum has been prepared for the information of Unitholders in connection with the business to be conducted at the Meeting.

The purpose of this Explanatory Memorandum is to provide information which the Responsible Entity believes to be material to Unitholders in deciding whether or not to pass the Resolutions.

## 1. INTRODUCTION

### 1.1. Actions required by Unitholders

*Step 1 – Read this Explanatory Memorandum*

Unitholders should read this Explanatory Memorandum in full before voting on the Resolutions. If Unitholders have any questions regarding the Resolutions they should contact the Responsible Entity, on 02 8277 0000 or email **fatprophets@oneinvestment.com.au**

*Step 2 – Consider and consult*

Unitholders should consider all advantages, disadvantages, risks and other information provided in this Explanatory Memorandum in light of their own investment objectives and circumstances. Unitholders should seek independent advice if required.

*Step 3 – Vote on the Resolutions*

It is very important that Unitholders vote on the Resolutions at the Meeting.

The Meeting is to be held virtually via the link <https://meetings.linkgroup.com/FPP22> and in-person at **Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000** at **2:00pm** (Sydney Time) on **Thursday, 10 November 2022**.

If Unitholders are unable to vote in person, they may vote by attorney, or by corporate representative, or by completing and returning the enclosed Proxy Form. Proxy Forms must be received by **Link Market Services Limited** no later than **2:00pm** (Sydney Time) on **Tuesday, 8 November 2022**.

Enclosed is a reply-paid envelope addressed to **Link Market Services Limited**.

## **2. RESOLUTION 1 – AMENDMENT TO CONSTITUTION**

### **2.1. GENERAL**

Resolution 1 sets out, in accordance with a notice provided to the Responsible Entity by Lanyon in accordance with s252B(1)(a) of the Act, a special resolution which would amend the Trust's constitution (**Constitution**). If passed, the amendments would require the Responsible Entity, consistent with the amended Constitution to terminate the current investment management agreement with Fat Prophets Funds Management Pty Ltd (**Current Manager**) and appoint Lanyon as the new investment manager of the Trust. If the Responsible Entity failed to so act it would be in breach of the Constitution.

As provided by s252B(3) of the Act, Lanyon sent the Responsible Entity a statement which sets out Lanyon's proposed reasons (**Statement**). A copy of the Statement is required to be circulated to Unitholders and is annexed to the Explanatory Memorandum at Schedule 1.

The wording of Resolution 1 has been prepared by Lanyon. The Responsible Entity takes no responsibility for the content of this Resolution 1.

The Responsible Entity has not verified the accuracy of the statements made by Lanyon in Resolution 1 or in the Statement.

Resolution 1 is a special resolution, and it requires 75% or more of Unitholders that vote to vote in favour to pass.

### **2.2. Voting Consequences**

If Resolution 1 is passed, the Responsible Entity will be in breach of the Constitution if it does not terminate the existing investment management agreement and replace the Current Manager with Lanyon. The Responsible Entity will be required to engage sensibly and responsibly with Lanyon and enters into a new investment management agreement on substantially the same terms as the existing investment management agreement.

A summary of the key terms of the new investment management agreement are annexed to this Notice of Meeting as Schedule 2.

In addition, the Responsible Entity will be required to give effect to the amendments by executing a supplemental deed poll and complying with any requirements of the Act that apply.

See the risks section below for implications of the vote passing.

### **2.3. Key Implications if the Resolution is not passed**

If Unitholders do not pass Resolution 1 the Constitution will not be amended and the Current Manager will remain the investment manager of the Trust and the Trust's investment strategy will not be changed.

### **2.4. Interdependency**

Resolution 1 is not dependent on other resolutions.

### **2.5. No recommendation from Responsible Entity**

Given its role as set out in the Constitution and the Act, the Responsible Entity does not consider it appropriate to provide a recommendation on Resolution 1.

### **3. RESOLUTION 2 – CHANGE OF NAME OF TRUST**

#### **3.1. GENERAL**

The Responsible Entity considers that, if Unitholders vote in favour of Resolution 1 and to remove the Current Manager as the investment manager, it is appropriate that the name of the Trust be changed to a name that is not associated with the Current Manager.

Lanyon has proposed to the Responsible Entity to have Unitholders vote, if Resolution 1 is passed, to confirm the name of the Trust be changed to Lanyon Global Fund.

The Responsible Entity has formed the view that, although the Responsible Entity is permitted by clause 26.1(a)(ii) of the Constitution to amend the Constitution in its absolute discretion, it is appropriate to have Unitholders confirm what change, if any, should be made to the name of the Trust.

#### **3.2. Voting Consequences**

If Unitholders pass Resolution 2, Clause 26.1(b) requires the Responsible Entity to give effect to the amendments by executing a supplemental deed poll to amend the Constitution to reflect the new name change.

#### **3.3. Key Implications if the Resolution is not passed**

If Unitholders do not pass Resolution 2, the name of the Trust will not change.

However, Unitholders should be aware that the Responsible Entity is permitted by clause 26.1(a)(ii) of the Constitution to amend the Constitution in its absolute discretion, provided that the responsible entity reasonably considers the change will not adversely affect members' rights. Given the current name of the Trust references the Current Manager, if the investment manager is changed the Responsible Entity will change the name of the Trust to a name referencing the new manager. The Responsible Entity expects ASX will require the Trust's ASX "ticker" to be amended accordingly.

#### **3.4. Interdependency**

Resolution 2 will only be put to Unitholders if they pass Resolution 1.

If 75% or more of Unitholders that vote on Resolution 1 do not vote in favour of Resolution 1, Unitholders will not be asked to vote on Resolution 2.

#### **3.5. No recommendation from Responsible Entity**

Given its role as set out in the Constitution and the Act, the Responsible Entity does not consider it appropriate to provide a recommendation on Resolution 2.

### **4. RATIONALE AND RISKS**

#### **4.1. BACKGROUND**

The Responsible Entity considers that the Act and the Constitution require it to put Resolution 1 to Unitholders.

Unitholders must understand that this does not constitute a recommendation by the Responsible Entity that Unitholders vote for or against Resolution 1.

The Responsible Entity is an independent entity charged with the proper administration of the Trust in accordance with the Act, the Constitution and good governance practices.

The Responsible Entity does not make investment decisions and the Constitution expressly allows the Responsible Entity to appoint an investment manager to manage the Trust's investments.

## 4.2. RISKS ASSOCIATED WITH TRANSACTIONS

The Responsible Entity considers that some of the risks associated with Resolution 1 can be summarised as follows:

- The Responsible Entity has not verified the contents of the Statement provided by Lanyon, nor has the Responsible Entity formed a view on the suitability of Lanyon as an investment manager of the Trust. It is not clear whether the appointment of Lanyon as new investment manager will be beneficial to Unitholders and there is no guarantee that the performance of the Trust will improve if the change to investment manager occurs. In fact, as always, there is a risk that performance may be worse under Lanyon's management of the Trust. Unitholders should seek their own professional advice before determining how to vote on the Resolutions.
- The Trust's Compliance Plan requires the Responsible Entity to conduct pre-appointment due diligence on all service providers which would include Lanyon (if appointed). If this due diligence process is not completed, it would be a breach of the Trust's Compliance Plan and a Reportable Situation that must be reported to ASIC. The Responsible Entity has requested that Lanyon provide the due diligence material but as at the date of this notice of meeting, has not received the requested information.
- Lanyon has expressed its intention to expand the Trust's investment universe to include non-property related global equities. If you have invested in the Trust because of its focus on real estate related investments, and Resolution 1 is passed, there is a risk your investment objectives may not be met.
- If Resolution 1 is passed, the Responsible Entity will be in breach of trust if it does not terminate the investment management agreement with the Current Manager. This may cause the Responsible Entity to lose its right of indemnity from the Trust's assets until the breach of trust is resolved. To ensure the continued smooth operation of the Trust, the Responsible Entity will likely terminate the investment management agreement with the Current Manager.
- The proposed change in investment manager that will occur should Resolution 1 be passed by Unitholders may expose the Trust to a claim by the Current Manager for breach of contract. If a successful claim is made by the Current Manager this would likely cause a reduction to the Trust's net asset value, to the detriment of Unitholders. Unitholders should bear this in mind when determining how to vote on the Resolutions.
- The Current Manager may claim that termination of the current investment management agreement (following passage of Resolution 1) requires the Fund to pay the Current Manager a substantial termination fee. This is despite the fact that the Responsible Entity would be required to terminate the current investment management agreement (as required by the amended Constitution). If a termination fee is payable to the Current Manager this could lead to a material decrease to the value of the Fund.

## 4.3. WHY VOTE IN FAVOUR?

The reasons why Unitholders may vote in favour of the Resolutions, can be summarised as follows:

- Unitholders may consider it likely that Lanyon may achieve better financial performance for the Trust than the current investment manager is able to achieve. If this is the case Unitholders may decide it appropriate to vote in favour of Resolution 1.
- Unitholders may consider it likely that the appointment of Lanyon may allow the Trust to raise further capital and increase the size of the Trust and the liquidity of Units in the Trust. There is no guarantee that this will happen.

- Unitholders may consider that the potential advantages in making the change to the Investment Manager outweigh the risk of the change. The Responsible Entity has not sought to identify all such advantages and unitholders should seek professional advice.

#### **4.4. WHY VOTE AGAINST?**

The reasons why Unitholders may not vote in favour of the Resolutions include:

- Unitholders may determine that the investment processes and mandate that Lanyon will apply should it be appointed investment manager of the Trust are not consistent with their investment requirements. Unitholder should seek their own financial and tax advice before determining how to vote on the Resolutions.
- Any potential upside associated with the Current Manager continuing as investment manager of the Trust may be lost if Resolution 1 is passed.
- Unitholders may determine that the risks detailed above outweigh any advantages of the change in investment manager.

## 5. GLOSSARY

The following terms used in this Explanatory Memorandum have the meanings given to them below, unless the context otherwise requires.

<b>Act</b>	means Corporations Act 2001 (Cth).
<b>Constitution</b>	means the Constitution of the Trust.
<b>Current Manager</b>	means the current investment manager of the Trust, Fat Prophets Funds Management Pty Ltd (ACN 112 465 371).
<b>Explanatory Memorandum</b>	means the explanatory memorandum for the Meeting.
<b>Lanyon</b>	means Lanyon Asset Management Pty Ltd (ACN 140 631 714), the requesting member and proposed new investment manager.
<b>Meeting</b>	meeting of the Unitholders to be convened to consider the Resolutions at 2pm on Thursday 10 November 2022.
<b>Notice of Meeting</b>	means the notice of meeting issued by the Trust for the Meeting.
<b>Proxy Form</b>	the Proxy Form attached to the Notice of Meeting.
<b>Resolutions</b>	the resolutions set out in the Notice of Meeting.
<b>Responsible Entity</b>	means One Managed Investment Funds Limited (ACN 117 400 987).
<b>Statement</b>	means the statement given by Lanyon to the Responsible Entity in accordance with s252B(3) of the Act and annexed as Schedule 1.
<b>Trust</b>	means Fat Prophets Global Property Fund (ARSN 619 970 786).
<b>Units</b>	ordinary units in the capital of the Trust.
<b>Unitholder</b>	a registered holder of a Unit.

**SCHEDULE 1– STATEMENT ACCOMPANYING SECTION 252B(1) REQUEST**

Annexed

14 September 2022

**Statement accompanying section 252B(1) request given pursuant to section 252B(3) of the Corporations Act 2001 (Cth)**

Dear fellow FPP unitholder,

**Proposal to restore value for FPP unitholders following ~5 years of disappointing investment performance**

Fat Prophets Global Property Fund (ASX: FPP) raised \$16.6m in capital through an initial public offering at \$1.10 per unit in October 2017. Since this time, performance has been very poor, with the unit price (as of 13/09/22) at \$0.84, representing a -23.6% decline. When including \$0.21 in cumulative distributions paid, investors have lost -4.2% of their capital over these 5 years.

Over this same period, the ASX All Ordinaries Accumulation index has returned +51.3%, and the Global Index (MSCI ACWI \$A) has returned +57.2%. The S&P/ASX 300 A-REIT (Property Trust) index has returned +9.3%. FPP's own stated blended benchmark has delivered a return of +27.3%. In short, FPP has impaired investor capital, and has significantly underperformed its own benchmark, Australian and global property trust indices and Australian and Global equity indices. Reflecting this poor performance and lack of confidence in the strategy and the investment manager, the unit price has traded at an average discount to NTA of -12.8%.

In November 2019, Lanyon Asset Management Pty Ltd ("Lanyon"), already FPP's largest unitholder with a stake of 12.75%, agreed to underwrite a pro rata non-renounceable offer to all unitholders in an effort for the fund to raise a further \$6.985m. The purpose of the offer was to increase the size of the fund to apply the proceeds to investment opportunities, to lower the management costs of the fund and to increase trading liquidity. The raising was not well supported by investors and Lanyon, given its underwriting commitment, subscribed for the shortfall of the offer which resulted in a holding of 31.1% of the total units on issue. Lanyon has been the largest shareholder in FPP for over 3 years.

Following nearly 5 years of disappointing investment performance, Lanyon, which now owns 31.23% of outstanding units in FPP, is proposing to remove Fat Prophets Funds Management Pty Ltd as the investment manager of the fund and amend the investment strategy in an effort to restore value for all unitholders.

As the proposed new investment manager, Lanyon believes that it can deliver superior returns managing FPP than the returns delivered by Fat Prophets Funds Management Pty Ltd. For background, Lanyon is a specialist fund manager, founded in 2009. Lanyon operates two main funds; the *Australian Value Fund* and the *Global Value Fund*. Over the last three years<sup>1</sup>, these funds have delivered investment returns of +39.6% and +34.8% respectively and have delivered returns in excess of their benchmarks<sup>2</sup> by +21.0% and +12.6%. Over the remaining 5 years of FPP's term, we believe Lanyon has the potential to significantly improve investment performance for the benefit of all unitholders, as well as close the fund's discount to net tangible assets.

Lanyon is proposing a resolution to amend the constitution to insert a provision directing the FPP's responsible entity to terminate the investment management agreement and appoint Lanyon as investment manager for FPP.

We believe the investment performance of FPP has suffered from the restrictive investment universe and the narrow approach to invest in Real Estate Investment Trusts only. Lanyon would implement a new investment strategy for FPP and broaden the investment universe to include both global and Australian shares. A patient, long-term, value-oriented investment approach has been adopted by Lanyon for over 12 years and has delivered solid returns for our investors.

When you receive the notice of meeting, Lanyon strongly encourages you to **vote FOR the resolution** so that we can commence the process of restoration of value for all FPP unitholders

Regards



David Prescott  
Managing Director  
Lanyon Asset Management Pty Limited



Nick Markiewicz  
Portfolio Manager  
Lanyon Asset Management Pty Limited

<sup>1</sup>From 1 July 2019 to 30 June 2022. Total return has been calculated using gross asset value and assuming reinvestment of distributions.

<sup>2</sup>The benchmark for the Lanyon Australian Value Fund is the *S&P ASX300 Accumulation Index*. The benchmark for the Lanyon Global Value Fund is the *MSCI All Country World Index net total returns AUD index*.

**SCHEDULE 2- SUMMARY OF PDS TERMS**

Annexed

## 1. MATERIAL CONTRACTS

The Responsible Entity considers that the material contracts described below are the contracts which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this PDS for the purpose of making an informed assessment of the Offer.

This Section only contains a summary of the material contracts and their substantive terms.

### 1.1. MANAGEMENT AGREEMENT

#### Overview

In 2017, the Responsible Entity appointed Fat Prophets Funds Management Pty Ltd as the investment manager (**Current Manager**) to invest and manage the Portfolio in accordance with the Investment Strategy detailed in Section 3.9 (**Investment Strategy**).

In 2017, the Responsible Entity sought and obtained in principle ASX relief from Listing Rules 15.16(b) and (c) seeking that the initial term of the investment management agreement (**Management Agreement**) will be extended from 5 to a period of 10 years (**Initial Term**). The Management Agreement provided that the term will be automatically extended for further terms of 5 years upon expiry of the initial term or extended term (as the case may be) unless terminated earlier as described below.

Lanyon Asset Management Pty Ltd (ACN 140 631 714) (**Lanyon**) proposes that Lanyon is appointed as the new investment manager for a period of 5 years. Therefore, the Responsible Entity does not currently propose to apply for an ASX waiver.

If Unitholders agree to appoint Lanyon as the new investment manager, Lanyon will be appointed on an exclusive basis by the Responsible Entity to provide the services set out below. Lanyon will be expressly permitted to provide similar management services to other parties provided it does not conflict with the provision of the services to the Responsible Entity.

Unless disclosed otherwise in this summary, Lanyon will be appointed on the same terms as the Current Manager. References to the Investment Manager include Lanyon if Unitholders agree to appoint it as the new investment manager.

#### Services to be provided by the Investment Manager

Subject to the terms of the Management Agreement, the Investment Manager is empowered and required to do all things it reasonably considers necessary or desirable for the administration, management and conduct of the Responsible Entity.

The main services that the Investment Manager will provide include:

- a) investment and management of the Portfolio in accordance with the Investment Strategy;
- b) identifying, assessing and implementing the acquisition and disposal of authorised investments;
- c) keeping the Portfolio under review and conferring at regular intervals with the Responsible Entity regarding investments and management of the Portfolio;
- d) maintaining appropriate compliance arrangements; and
- e) providing the Responsible Entity with monthly reporting of the Portfolio value;

Provided it is consistent with the Investment Strategy subject to certain restrictions, the Investment Manager may acquire or dispose of new investments without the Responsible Entity's consent.

The Investment Manager may not subcontract any discretionary management services to be provided under the Management Agreement without the prior consent of the Responsible Entity.

### Manager Compensation

#### a) Management Fee

During the term of the Management Agreement, the Responsible Entity must, from the assets of the Fund, pay to the Investment Manager a management fee equal to approximately 1.0%p.a (plus GST) of the Net Asset Value calculated at the end of the month (being 0.0833% plus GST per month).

#### b) Performance Fee

In addition to the monthly Management Fee, in return for the performance of its duties as manager of the Portfolio, the Investment Manager is entitled to be paid a quarterly performance fee calculated as follows:

$$PF = 0.175 \left( (FV - IV) - \frac{IV \times (FI - II)}{II} \right)$$

Where:

**PF** is the amount of the Performance Fee;

**FV** is the Net Asset Value, after the deduction of Management Fees payable in respect of the relevant Performance Calculation Period, calculated on the last Business Day of the relevant Performance Calculation Period;

**IV** is the Net Asset Value at the commencement of the relevant Performance Calculation Period, after the deduction of Management Fees payable in respect of the preceding Performance Calculation Period, calculated on the last Business Day of the preceding Performance Calculation Period;

**FI** is the level of the Fund Benchmark on the last Business Day of that Performance Calculation Period; and

**II** is the level of the Fund Benchmark on the last Business Day of the preceding Performance Calculation Period.

For the purposes of this provision:

Benchmark means, as at the relevant date, a number calculated as follows:

$$B = .25AREIT + .75FTSE$$

Where:

**B** is the Benchmark;

**AREIT** is S&P/ASX 300 AREIT Accumulation Index (**Total Return**); and

**FTSE** is FTSE EPRA NAREIT Global Developed Total Return Index given in AUD.

If the amount calculated for PF is a negative number, no Performance Fee is payable in respect of that Performance Calculation Period. Where the PF is a negative, it is to be carried forward to the following Performance Calculation Period(s) until it has been recouped in full against future positive performance. No performance fees will be payable until the full recoupment of prior underperformance.

In calculating the Performance Fee for a Performance Calculation Period, changes in the Net Asset Value as a result of the issue of Units, capital reductions or unit buybacks undertaken, payment of tax and distributions made in respect to the Fund will be disregarded or adjusted for in a manner determined by the Fund's auditor at the conclusion of that Performance Calculation

Period.

For the purpose of this calculation, Net Asset Value is defined as in the Constitution, and is defined as the gross asset value of the Fund and its controlled entities' assets less the aggregate of the liabilities of the Fund and the Fund's controlled entities, with the effect all the transactions between the Fund and the Fund's controlled entities, with the effect all the transactions between the Fund and the Fund's controlled entities being eliminated in full.

**Example 1: Outperformance against the Benchmark**

Assuming a Performance Calculation Period of 1 July 2017 to 31 December 2017, an initial Net Asset Value of \$100,000,000, and a Net Asset Value at the end of the Performance Calculation Period, that is 15% higher than at the beginning, of \$115,000,000:

- a) If the Benchmark return is 10% for the Performance Calculation Period, there would be an aggregate outperformance of \$5,000,000.
- b) In this instance, there would be a Performance Fee payable at 17.5% of this amount equating to \$875,000 (plus GST) for the Performance Calculation Period as the Portfolio has outperformed the Benchmark.

**Example 2: Underperformance against the Benchmark**

Assuming a Performance Calculation Period of 31 December 2017 to 30 June 2018, an initial Net Asset Value of \$115,000,000, and a Net Asset Value at the end of the Performance Calculation Period, that is 5% higher than at the beginning of \$120,750,000:

- a) If the Benchmark return is 10% for the Performance Calculation Period, there would be an aggregate underperformance of \$5,750,000.
- b) In this instance, there would be no Performance Fee payable for the Performance Calculation Period as the Portfolio has underperformed the Benchmark.
- c) The aggregate underperformance of \$5,750,000 is to be carried forward to the following Performance Calculation Period(s) until it has been recouped in full against future Portfolio performance.

**Example 3: Recouping past underperformance**

Assuming a Performance Calculation Period of 1 July 2018 to 31 December 2018, an initial Net Asset Value of \$120,750,000, and a Net Asset Value at the end of the Performance Calculation Period that is 15% higher than at the beginning of \$138,862,500:

- a) If the Benchmark return is 5% for the Performance Calculation Period, there would be an aggregate outperformance of \$12,075,000.
- b) The aggregate underperformance of \$5,750,000 from prior Performance Calculation Period(s) is to be recouped in full against the current Portfolio performance, resulting in aggregate outperformance of \$6,325,000 for the Performance Calculation Period.
- c) In this instance, there would be a performance fee payable at 17.5% of this amount equating to \$1,106,875 (plus GST) for the Performance Calculation Period as the Portfolio has outperformed the Benchmark and prior underperformance has been recouped in full against current Portfolio Performance.

**Example 4: Negative Portfolio performance that outperforms the Benchmark**

Assuming a Performance Calculation Period of 1 July 2016 to 31 December 2016, an initial Net Asset Value of \$100,000,000, and a Net Asset Value at the end of the Performance Calculation Period that is 5% lower than at the beginning of \$95,000,000:

- a) If the Benchmark return is negative 10% for the Performance Calculation Period, there would be an aggregate outperformance of \$90,000,000.
- b) In this instance, there would be a performance fee payable at 17.5% of this amount equating to \$875,000 (plus GST) for the Performance Calculation Period as the Portfolio has outperformed the Benchmark.

**Termination**

### a) Termination by the Responsible Entity

The Responsible Entity may terminate the Management Agreement by written notice to the Investment Manager in certain circumstances (**Fund Termination for Cause**) including:

- i. A receiver, receiver and manager, administrative receiver or similar person is appointed with respect to the assets and undertakings of the Investment Manager;
- ii. The AFSL is cancelled or suspended at any time for any reason or, in the case of the Current Manager, the Investment Manager ceases to be an authorised representative of Fat Prophets (which holds the AFSL);
- iii. The Investment Manager:
  - o Goes into liquidation (other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Responsible Entity);
  - o Is placed under official management or an administrator is appointed to its affairs;
  - o Ceases to carry on business in relation to its activities as an investment manager;
  - o Breaches any provision of the Management Agreement, or fails to observe or perform any representation, warranty or undertaking given by the Investment Manager under the Management Agreement and the Investment Manager fails to correct such breach or failure within 10 Business Days of receiving notice in writing from the Responsible Entity specifying such breach or failure; and
  - o With respect to the Current Manager, ceases to be a member of the Fat Prophets Group.
- iv. The Investment Manager sells or transfers or makes any agreement for the sale or transfer of the main business and undertaking of the Investment Manager or of a beneficial interest therein, other than to a related body corporate for purposes of corporate reconstruction on terms previously approved in writing by the Responsible Entity; or
- v. Relevant law requires the Management Agreement to terminate.

After the Initial Term, the Responsible Entity may also terminate the Management Agreement giving to the Investment Manager not less than 20 Business Days' written notice of termination or such lesser period of notice as the parties agree. (**Fund Termination for Convenience**).

### b) Termination by the Investment Manager

The Investment Manager may terminate the Management Agreement on three months' notice in certain circumstances (**Manager's Termination for Cause**) including:

- i. The Fund fails to make payment of the Investment Manager's fees and the failure continues for twenty one (21) days from the delivery of a written notice by the Investment Manager to the Fund requesting payment other than where contested by the Responsible Entity in the proper performance of its duties;
- ii. Any step is taken which is likely to result in the termination of the Fund under the terms of the Constitution;
- iii. The Fund does or commences to do any of the following in relation to the Scheme without the consent of the Investment Manager:
  - o reduces its capital, enters into a buy-back;
  - o redeems any Units;
  - o distributes in-specie any of its assets; or
 enters into any arrangement which has or is likely to have the effect of reducing the Net Asset Value, and the effect or likely effect of the relevant action is that the Net Portfolio Value is reduced to an amount which is less than 90% of the amount of capital raised under the PDS;
- iv. The Responsible Entity takes any action under the Management Agreement (other than in relation to any attempts to terminate the Management Agreement) which, in the reasonable opinion of the Investment Manager:

- Has a material adverse effect on:
  - The Investment Manager's ability to manage the Portfolio in accordance with the Management Agreement;
  - The fees which may be payable to the Investment Manager under the Management Agreement;
- Alters the Investment Strategy set out in this PDS without the consent of the Investment Manager;
- Materially increases the costs incurred by the Investment Manager in providing the services for which it is not reimbursed under the Management Agreement;
- v. The Responsible Entity is guilty of any gross default, breach, non-observance or non-performance of any of the terms and conditions contained in the Management Agreement; or
- vi. A receiver, or receiver and manager is appointed to the whole or part of the undertakings of the Fund.

After the first anniversary of the Commencement Date, the Investment Manager may also terminate the Agreement on 3 months' (**Manager's Termination for Convenience**).

### c) Termination Payment

If the Management Agreement is terminated because of the Responsible Entity's Termination for Convenience or the Manager's Termination for Cause, the Investment Manager is entitled to a termination payment. The termination payment will be equal to 5% of the Net Asset Valuation as at the termination date. The above percentage of Net Asset Value will be reduced on a pro-rata basis in accordance with the length of time served under the agreement:

The formula for the Termination Fee is outlined below:

$$TP = NAV \times 5\% \times (1 - M/Y)$$

Where:

**TP** is the Termination Fee;

**NAV** is the Net Asset Value on the date of termination if the circumstances of the termination fall within (b)(iii) above, the relevant Net Asset Value for the purposes of this calculation shall be the Net Asset Value at the time the Responsible Entity commenced taking the relevant action (as reasonably determined by the Investment Manager);

**M** is the number of months which:

- a) if the Management Agreement is terminated during the Initial Term, the number of whole calendar months that have elapsed between the Commencement Date and the date of termination; and
- b) if the Management Agreement is terminated during an Extended Term, the number of whole calendar months that have elapsed between the first day of that Extended Term and the date of termination.

**Y** is:

- a) if the Management Agreement is terminated during the Initial Term, 120;
- b) otherwise, 60.

Examples of how the Termination Fee would be calculated:

#### **Example 1**

Based on the following assumptions:

Initial Term of the agreement is 10 years (equivalent of 120 months). The Management Agreement is terminated at end of Year 7 (84 months) for Manager Termination for Cause.

Net Asset Value at end of Year 7 is \$70m.

The Termination Fee would be calculated at 5% of the Net Asset Value reduced by 84/120 (equivalent to 7 years served out of the 10 year term) as follows:

$$70,000,000 \times 5\% \times (1-84/120)\% = \$1,050,000$$

### **Example 2**

Based on the following assumptions:

The Initial Term of the Management Agreement has expired and has been automatically extended under the terms of the Management Agreement for a further 5 year period. At the end of the fourth year in that extended term the Responsible Entity Terminates for Convenience with 3 months' notice. The Management Agreement is therefore terminated after 51 months into the extended term. At that time the Net Asset Value is \$90,000,000.

The Termination Fee would be calculated at 5% of the Net Asset Value reduced by 51/60 (equivalent to 51 months years served out of the 5 year term) as follows:

$$90,000,000 \times 5\% \times (1-51/60) = \$675,000$$

On termination of the Management Agreement, the Investment Manager must immediately deliver up to the Responsible Entity all property belonging to the Responsible Entity or any of its related bodies corporate which is in its or any of its employees or agents possession.

### **Expenses**

The Responsible Entity is liable for and must pay out of the Portfolio (or if paid by the Investment Manager, reimburse the Investment Manager out of the Portfolio) all fees, costs and expenses when properly incurred in connection with the investment and management of the Portfolio, the acquisition, disposal or maintenance of any investment or performance of the Investment Manager's obligations under the Agreement.

This may include;

- Any costs incurred by the Investment Manager in complying with any directions, requests of the Responsible Entity or otherwise reporting or providing information under the Management Agreement; Independent Investment Committee member fees;
- Travel and accommodation relating to fund specific activities such as marketing, industry conferences, company visits and site tours;
- Ongoing fees payable to the ASX;
- Responsible Entity related fees;
- Legal fees;
- Accounting fees;
- Custody fees;
- Costs of the funds external advisors including auditors;
- Fees payable under the Management Agreement; and
- Disbursements incurred in the proper administration of the Responsible Entity by Investment Manager.

The Fund must reimburse the Investment Manager for any of the expenses even when paid for by the Investment Manager as principal and in its own capacity.

The Investment Manager must pay in-house administration costs of the Investment Manager in the nature of rent for the Investment Manager's premises, computer charges, salaries, and like expenses as well as other expenses for items not purely for the benefit of the Responsible Entity.

## Indemnity

The Responsible Entity indemnifies the Investment Manager against any losses or liabilities reasonably incurred by the Investment Manager arising out of, or in connection with, and any costs, charges and expenses incurred in connection with the Investment Manager or any of its officers, employees or supervised agents acting in accordance with the Management Agreement or on account of any bona fide investment decision made by the Investment Manager or its officers or supervised agents in accordance with the Agreement except insofar as any loss, liability, cost, charge or expense is caused by the negligence, default, fraud or dishonesty of the Investment Manager or its officers, employees or supervised agents, or is incurred in breach of the Agreement.

The Investment Manager indemnifies the Responsible Entity against any losses or liabilities reasonably incurred by the Responsible Entity arising out of, or in connection with, and any costs, charges and expenses incurred in connection with:

- a) Any negligence, default, fraud or dishonesty of the Investment Manager or its officers or supervised agents;
- b) The Responsible Entity entering into an agreement with an operator of an investor directed portfolio service, master trust, wrap account or like service on the request of the Investment Manager where:
  - (i) The Responsible Entity forms the reasonable opinion that it is not able to be indemnified out of the assets of the Fund in relation to the relevant loss, liability, cost, charge or expense; and
  - (ii) The Responsible Entity has not lost its ability to be indemnified out of the assets of the Fund as a result of its own fraud or dishonesty excluding any fraud or dishonesty of the Investment Manager or any other agent of the Responsible Entity.
- c) The Responsible Entity appointing, in consultation with the Investment Manager, any person pursuant to a power of attorney or similar instrument authorising that person to act as the Responsible Entity's attorney or agent or to perform a similar role in connection with the operation and management of the Fund to facilitate assets of the Fund being invested, traded and held in jurisdictions outside of Australia where:
  - (i) The Responsible Entity forms the reasonable opinion that it is not able to be indemnified out of the assets of the Fund in relation to the relevant loss, liability, cost, charge or expense; and
  - (ii) The Responsible Entity has not lost the ability to be indemnified out of the assets of the Fund as a result of its own fraud or dishonesty excluding any fraud or dishonesty of the Investment Manager or any other agent of the Responsible Entity.

This obligation continues after the termination of the Management Agreement. Save as otherwise stated in the Management Agreement, the Investment Manager is not otherwise liable to the Responsible Entity for any loss or liability.

## Variation

Any modification or alteration of the terms of the Agreement shall be agreed by the Investment Manager and the Responsible Entity. The ASX may require that the Responsible Entity may not agree to any material change without the approval of its Unitholders.

## Dealings with Related Parties

If the Investment Manager proposes that the Responsible Entity acquire assets from or dispose of assets to a related party of the Investment Manager, the Responsible Entity must approve the

acquisition or disposal of the asset to the extent required by all relevant laws and regulations (including the ASX listing Rules).

### 1.2. CUSTODY AGREEMENT

Where the Responsible Entity performs self custody or a document is entered into the record the separation of the custody function and the operational function performed in respect of the Fund's assets. No formal custody agreement is entered into.

However in respect of the Fund's international assets, the Responsible Entity has entered into a global custody agreement with an entity within the Bank of New York Mellon group of companies. The custody agreement documents the matters required by RG133.

### 1.3. SUMMARY OF CONSTITUTION

The Fund is a registered managed investment scheme. The Fund is governed by the Constitution. A general summary of the main provisions of the Constitution are set out below. This summary is not exhaustive nor does it constitute a definitive statement of the terms of the Constitution. The rights and obligations attaching to ownership of Units are also governed by the Corporations Act, the Listing Rules and general law.

If you invest in the Fund, you agree to be bound by the terms of the PDS and Constitution. Copies of the Constitution are available, free of charge on request from the Responsible Entity. Please consider the Constitution before investing in the Fund.

#### a) Units

The beneficial interest in the Asset is divided into Units. Each fully paid Unit confers on a Unitholder an equal undivided interest in the Assets. A Unit confers on a Unitholder an interest in the Assets as a whole subject to the liabilities. It does not confer on a Unitholder any interest in any particular Asset. A Unitholder holds a Unit subject to the rights, restrictions and obligations attaching to that Unit.

#### b) Income entitlement of Units

The Responsible Entity must determine the distributable income of the Fund for each distribution period. Unless the Responsible Entity determines otherwise, distributable income is an amount equal to the greater of the amount calculated in accordance with generally accepted accounting principles as the income of the Fund for the Financial Year excluding any notional amounts and non-cash amounts such as unrealised asset revaluation amounts, the amount equal to the net income of the Fund (as defined in section 95 of the Income Tax Assessment Act 1936 (Cth)) for the distribution period excluding any notional amounts and non-cash amounts such as franking credits; and \$1.

#### c) Transfer of Units

A Unit, Option or any other interest, right or instrument relating to the Fund (**Relevant Securities**) may be transferred. If Relevant Securities are not officially quoted, transfers must be in a form and manner approved by the Responsible Entity. If a Relevant Security is officially quoted, it is transferable as provided by the Operating Rules or by any method of transfer in accordance with the Corporations Act, ASX or ASIC.

#### d) Redemption

While the Units are officially quoted, the Responsible Entity may purchase Units and cause the Units to be cancelled, subject to and in accordance with the Corporations Act (including any ASIC relief) and Operating Rules. While Units are not officially quoted, a Unitholder may make a request to the Responsible Entity to redeem Units in respect of some or all of their Units in a manner approved by the Responsible Entity.

e) Powers of the Responsible Entity

The Responsible Entity in its capacity as Responsible Entity of the Fund has power to:

- (i) Invest in, dispose of or otherwise deal with property and rights in its absolute discretion;
- (ii) Borrow or raise money whether or not on security of the Assets;
- (iii) Incur all types of obligations and liabilities including guarantees;
- (iv) Enter into an arrangement with a person to underwrite the subscription or purchase of Units, on such terms as the Responsible Entity determines; and
- (v) Apply for quotation of any Units, Options or Other Securities on any exchange where similar Securities are listed and traded.

The Responsible Entity may authorise any person to act as its agent or delegate (in the case of a joint appointment, jointly and severally) to hold title to any Asset, perform any act or exercise any discretion within the Responsible Entity's power, including the power to appoint in turn its own agent or delegate.

f) Meetings

The Responsible Entity may at any time convene a meeting of Unitholders and must do so if the Corporations Act or the Operating Rules require.

g) Limitation of liability and indemnity in favour of Responsible Entity

Subject to the Corporations Act, whilst the Responsible Entity acts in good faith and in the proper performance of its duties, the Responsible Entity is not liable in contract, tort or otherwise to Holders for any loss suffered in any way relating to the Fund.

Subject to the Corporations Act, the liability of the Responsible Entity to any person other than a Holder in respect of the Trust (including in respect of any contracts entered into as Responsible Entity of the Trust or in relation to any Assets) is limited to the amount the Responsible Entity actually receives under its right to be indemnified from the Assets.

h) Liability of Unitholders

In the absence of separate agreement with a Unitholder or creditor, the recourse of the Responsible Entity and any creditor of the Fund against a Unitholder in connection with the Fund is limited to the amount, if any, which remains unpaid in relation to the Unitholder's subscription for their Units.

The Responsible Entity is entitled to be indemnified by a Unitholder or former Unitholder to the extent that the Responsible Entity incurs any liability for Tax as a result of the Unitholder's action or inaction, or as a result of an act or omission requested by the Unitholder or former Unitholder. The Responsible Entity is also entitled to be indemnified by a Unitholder or former Unitholder for any Tax payable by the Responsible Entity and any related costs as a result of the operation of the AMIT Regime to the extent that the Tax reasonably relates to the Units held by the Unitholder. The Responsible Entity may satisfy the amount indemnified by way of reduction of payments otherwise due from the Responsible Entity to the Unitholder or former Unitholder or by way of redemption of a number of Units held by the Unitholder as results in a satisfaction of the amount indemnified.

i) Fees and Expenses

The Responsible Entity is entitled to receive out of the Assets of the Fund and retain for its own use and benefit the fees summarised in section 9 of the PDS. The Responsible Entity will also be entitled to reimbursement of expenses incurred in relation to the performance of its duties under the Constitution.

j) Termination

The Fund terminates on the earliest of the day before 80 years after the Trust is established, the date specified by the Responsible Entity as the date of termination of the Trust in a notice given to Unitholders and the date on which the Fund terminates in accordance with another provision

of the Constitution or an order of a court or by law.

k) Small holdings

While the Fund is listed, the Responsible Entity may in its discretion from time to time sell or redeem any Units held by a Unitholder which comprise less than a marketable parcel as provided in the Operating Rules without request by the Unitholder.

l) Complaints resolution

The Responsible Entity has established procedures for dealing with complaints.

m) Amendment to Constitution

If permitted by the Corporations Act, this Constitution may be amended by Resolution or by the Responsible Entity in its absolute discretion by executing a deed. If the Constitution is amended by Resolution, the Responsible Entity must give effect to the amendments by executing a supplemental deed poll and complying with any requirements of the Corporations Act that apply.