

LM Managed Performance Fund

Frequently asked questions for investors regarding distribution process

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I am a Global Platform/Portfolio Bond Investor, how can I view and/or change the details of multiple accounts without logging in to the Secure Unitholder Website separately for each account. 8



Background

On 12 April 2013, KordaMentha and Calibre Capital Limited were appointed as trustees of the LM Managed Performance Fund pursuant to an Order of the Supreme Court of Queensland in Brisbane. Our appointment as Trustees was to ensure independence in the management of the Fund's investments in the best interests of all investors. Calibre Capital has since resigned as Trustee and KordaMentha is the sole Trustee of the Fund.

The Fund has been closed since 19 March 2013 and no distributions have been made since this time.

On 19 March 2021, the Trustee received directions from the Court in relation to a number of matters to facilitate a distribution to unitholders. Following receipt of these directions, the Trustee has commenced a process to enable Unitholders to update their contact and bank account details prior to the Trustee processing the first and final distribution.

Link Market Services ('Link') has been engaged to facilitate the unitholder register update process. You will be able to utilise a secure website (the 'Secure Unitholder Website') to review the details currently associated with your unit holdings. If your address and bank account details have changed, you can use the Secure Unitholder Website to update your details.

The purpose of this correspondence is address commonly asked questions of members in relation to the distribution process.

Distribution

How much money will I receive in the distribution?

The Trustee has advised in previous update reports that the return to Unitholders is likely to be less than five cents in the dollar (or 5% of your initial investment amount). Based on current calculations, we now expect the distribution to be in the range of 1.3% and 1.5% of the AUD value of your investment. The AUD value of your investment will reflect your initial investment amount, reinvestment of income (if applicable) in the period to 19 March 2013 and currency fluctuations between your investment currency and AUD in the period to 19 March 2013. The Secure Unitholder Website will display the AUD value of your investment.

An example of the distribution calculation would be that if you invested AUD \$10,000 in the Fund and had reinvested distributions totalling \$1,000 over the period to 19 March 2013, the AUD value of your investment would be \$11,000. Based on the current estimate, you could expect to receive a distribution of between \$143 and \$165.

Detail	AUD \$	Worst case (AUD \$)	Best case (AUD \$)
AUD value of Investment	\$11,000.00	1.3%	1.5%
Distribution payable		\$143.00	\$165.00

We are not able to provide a precise estimate of the distribution amount at this stage as it is still subject to change based on costs of the Fund in the lead up to a distribution. For example, costs will be incurred for each change to investor details, and we are not able to estimate with certainty the number of changes which will be required.

What do I need to do to ensure that I receive my distribution?

All Unitholders should log in to the Secure Unitholder Website to confirm that your bank account details are correct. Distribution payments will be made to the bank account details contained in the register. If no bank account details are held in the register or if the details are not correct, you may not receive a distribution payment.

Due to Anti-Money Laundering and Counter Terrorism Financing legislation, we will also need to hold address details to facilitate international payment. Please ensure that your address information shown on the Secure Unitholder Website is also correct.

In what currency will the distributions be paid?

Distributions will be calculated in AUD, however Unitholders will have the option of nominating a proposed distribution currency. You are responsible for ensuring that your bank will accept payment in the nominated distribution currency.

If you select a currency other than AUD, the AUD value of your distribution will be converted to the nominated currency at the relevant spot rate on the date of distribution (or shortly prior).

When will I get my distribution?

The Trustee is providing Unitholders with 90 days to update their contact and bank account details prior to processing the distribution. We expect to process the distribution shortly after this 90 day period, subject to any outstanding matters which arise during the register update process.

Secure Unitholder Website

How do I access the secure unitholder website?

In order to access the Secure Unitholder Website, you will need both your Investor ID and Account Number. These details can be obtained from either:

- the contract note provided to you when you invested in the Fund
- transactions statements or other documentation provided to you by the former Trustee
- your Unitholder Summary which was issued on 22 January 2021.

If you do not have access to any of the above documents, please contact KordaMentha by email at linvestors@kordamentha.com and include as much detail of your unit holding as possible.

What information will be provided on the Secure Unitholder Website?

When you successfully log in to the Secure Unitholder Website, you will be presented with a summary of your unit holding and your personal details as reflected in the Unitholder register, including:

- Number of units held
- AUD value of unit holding as at 19 March 2013
- Investment class
- Redemption payable or quarantined funds amount and currency (if applicable)
- Unitholder address
- Unitholder bank account details

Updating investor details

How can I change my address and bank account details?

Instructions will be provided on the Secure Unitholder Website regarding change of details.

Unitholders will be required to provide supporting documentation to verify any update to bank account details, this may include a bank statement or letter from your bank confirming these details. If you are a High Value Unitholder, you will also need to provide proof of identity information in order to change your bank details.

We encourage Unitholders to update their details via the Secure Unitholder Website in the first instance rather than completing the forms and posting them, this will avoid any potential delays.

What does it mean if I been classified as a High Value Unitholder?

The Secure Unitholder Website will include a Summary of your Unit Holding, which will include notification as to whether you are a High Value Unitholder.

Unitholders have been categorised as High Value Unitholders based on the AUD value of their investment in the Fund.

If you have been categorised as a High Value Investor, you will be required to provide proof of identity documentation to facilitate the process of updating your bank account details in the unitholder register. This will include certified copies of proof of identification documentation and a proof of identification form.



Can I transfer my interest in the Fund?

As part of the update process, unitholders will have the opportunity to transfer their unit holdings. In order to transfer your unit holdings you will need to complete a form which can be accessed on the Secure Unitholder Website. You will also need to provide proof of identity.

I am the beneficiary of a deceased estate which holds units in the Fund, how do I transfer these units?

In order to transfer the units of a deceased estate, you must complete a deceased estate transfer form which can be accessed via the Secure Unitholder Website. Supporting information will be required to be provided and details of necessary supporting documentation is provided on the form.

What if I can't find my contract?

Unitholders will be required to provide details to verify their investment, including Investor ID and Account ID. If you are able to provide these details, a contract is not necessary.

If you do not have access to the necessary details regarding your investment, please contact KordaMentha by email at iminvestors@kordamentha.com and include as much detail of your unit holding as possible.

What are the requirements for certified documents?

We have received a number of queries from Unitholders requesting further guidance in relation to certified documents. A certified copy is a copy which has been certified as a correct copy of the original document by a person who in the jurisdiction of certification has the power to witness and certify a document. As there are different rules which apply in different jurisdictions regarding who can certify a document, we provide the following additional guidance that the Trustee will accept certification from any of the following:

- Any authorised affidavit taker (i.e. judge or magistrate, public notary, member of parliament)
- Justice of the peace
- Police officer
- Licenced legal practitioner/lawyer
- Licenced medical practitioner (i.e. doctor/nurse)
- An accountant who is a member of a professional accounting body
- School principal
- A teacher employed on a permanent basis at a school or tertiary education institution

However, the certifier may not be you, a relative of yours or somebody living at the same address as you.

Please ensure that the certifier:

1. Writes or stamps the copy with the words: 'Certified to be a true copy of the original seen by me'
2. Signs and dates the copy, and
3. Writes or stamps their: name, personal or professional address and qualification as an authorised certifier

Original certified copies must be posted to the address on the proof of identity form. Please do not send original documents as they will not be returned.

Unitholder Summary provided on 22 January 2021

Why does the Unitholder Summary show a separate balance for 5 registers?

The Trustee was provided with five different versions of the unitholder register for the MPF. The Unitholder Summary showed the balance of your unit holding in each of the five versions of the register. The Trustee has now obtained court directions that they are justified in adopting Register 1, which was determined to be the most accurate and complete version of the register.

Further information regarding the analysis undertaken by the Trustee to determine that Register 1 is the most correct version of the register is contained in the Jarrod Villani's Affidavit sworn on 4 December 2020.

Why is the number of units held on my contract note different to the number of units in the Unitholder Summary provided on 22 January 2021?

If there is a difference between your Unitholder Summary and your contract note or the last transaction statement provided to you by the former Trustee of the Fund, this may be due to either of the following:

- Your unit holding was impacted by the bulk switch transaction which occurred on 1 August 2012. This transaction had the effect of changing the number of units held, but not the value of the investment. This switch transaction will not impact your return. Further details regarding the switch transaction are contained below.
- Your unit holding was one which received regular distributions of income which were processed as redemptions of units. If a redemption transaction has been processed (i.e. units reduced) but payment was not made to you, you will be entitled to receive this payment in priority to the general distribution. Details of any redemption payable to you will be contained in the secure unitholder portal, details of which will be provided shortly.

If you would like further information regarding your unique situation, please send an email to linvestors@kordamentha.com and include as much information regarding your unit holding as possible.

Switch transaction

On 1 August 2012, the Fund switched all Class A units to Class B units as part of a bulk switch of unitholders.

The difference between Class A and Class B units was that the unit price of Class B units reflected accrued but unpaid distributions, whereas the unit price for Class A units did not. The discrepancy in unit prices was such that the unit price for Class B units was generally higher than the unit price for Class A units. As a result, when Class A units were switched out, a lower number of Class B units were issued, however these units had a higher unit price and the ultimate value of the unit holding was maintained.

An example of how the switch transaction impacted unit holdings is as follows: if the 'value' of an investment on 1 August 2012 was \$10,000 being 10,000 units at \$1.00 unit price and this unit holding was switched to a unit class with a unit price of \$1.25, the number of units issued at \$1.25 would be 8,000 (rather than the previously held 10,000), however the ultimate value would remain at \$10,000 (being 8,000 x \$1.25).

Example

Detail	Units	Price	Value (\$)
Investment	10,000.00	\$1.00	10,000.00
Balance prior to switch			10,000.00
Switch	8,000.00	\$1.25	10,000.00
Balance after switch			10,000.00

Unit holdings past maturity

My investment matured prior to the closure of the fund or I requested a redemption of my investment prior to the closure of the fund. Will I be paid in priority to other Unitholders who had not requested redemption?

There are many Unitholder accounts which may have matured prior to the closure of the MPF or where a redemption request was pending. Shortly prior to the closure of the MPF, we understand that the Fund was receiving a significant volume of redemption requests. Whilst the Fund was in receipt of these redemption requests, a significant number of redemptions requests were not processed before the Fund closed.

If your redemption request was not processed prior to the closure of the Fund, i.e. you still have units in the Fund, you will be treated as a Unitholder and receive a distribution calculated in the same manner as all other Unitholders in the Fund.

The Directions of Williams J of the Supreme Court of Queensland dated 19 March 2021 state that the Trustee is justified in not taking any steps in relation to members of the Fund whose investments expired prior to the closure of the Fund on 19 March 2013, but whose units in the Fund were not redeemed.

Quarantined funds

What are quarantined funds?

Quarantined funds are monies which were invested in the Fund either inadvertently or for investment, but where no units were issued in return. The majority of these funds have been returned. There remains a limited amount of quarantined funds which have not been returned and are associated with existing unit holdings. These amounts will be paid to Unitholders together with their distribution payment.

Is it possible that any of my investment is part of quarantined funds?

If there are quarantined funds associated with your unit holding, details of the quarantined funds amount will be contained on the Secure Unitholder Website.

Redemptions payable

What are redemptions payable?

Shortly prior to the closure of the Fund, there were a number of redemption transactions processed by the Fund which had the effect of reducing the number of units held by certain Unitholders. These redemption transactions should have resulted in a payment to the impacted Unitholders. However, the Trustee has identified a number of instances where this payment was not made.

As the redemption of units was reflected in the records of the Fund, the Trustee will be making payment in respect of these transactions in priority to the general distribution to Unitholders.

It is noted that these redemption transactions were only **partial** redemption of unit holdings and related to distribution of earnings for certain unitholder accounts where earnings were paid out periodically rather than reinvested in the Fund.

Do I have any redemptions payable associated with my unit holding?

A listing of redemptions payable amounts, together with associated account numbers is contained in the Trustee Redemption Schedule which formed part of the application material for the recent directions application and is available on the KordaMentha website.

If there are redemptions payable associated with your unit holding, details of the redemptions payable amount will also be contained on the Secure Unitholder Website.

Global platforms and institutional Unitholders

The Fund allowed for investment by operators of global platforms, global portfolio bonds, master trusts, wrap accounts and institutions ('Global Platform/Portfolio Bond Investors') investing the funds of their clients ('Indirect Investors')

Indirect Investors who gained exposure to the Fund through a Global Platform/Portfolio Bond Investor did not become unit holders in the Fund or acquire the rights of a unit holder in the Fund.

How do I know if I am an Indirect Investor?

When you log in to the Secure Unitholder Website, details of your unit holding will be displayed. If the Unitholder name associated with the unit holding is not your name but is the name of a Global Platform/Portfolio Bond Investor, the investment is held by this Global Platform/Portfolio Bond Investor and you are an Indirect Investor.

If I am an Indirect Investor, how do I change the details of my unit holding?

If you are an Indirect Investor, you should contact the operator of your global platform, global portfolio bond, master trust or wrap account to obtain further information regarding updating your details.



If I am an Indirect Investor, how can I receive my distribution?

If you are an Indirect Investor you will not receive a distribution payment directly from the MPF. You should contact the operator of your global platform, global portfolio bond, master trust or wrap account to confirm details of how and when you can expect to receive your distribution payment.

If I am an Indirect Investor, can I transfer my unit holding?

If you are an Indirect Investor and would like to have an investment transferred to yourself personally, then you will need to contact the operator of your global platform, global portfolio bond, master trust or wrap account who will need to request this transfer. There are a number of forms which will need to be completed to effect a transfer, which can be accessed on either the Secure Unitholder Website or the KordaMentha website.

I am a Global Platform/Portfolio Bond Investor, how can I view and/or change the details of multiple accounts without logging in to the Secure Unitholder Website separately for each account.

Please contact KordaMentha via email at linvestors@kordamentha.com.au and provide detail of all accounts for which you would like to access details.

We will then provide you with further instructions in relation to bulk update of multiple accounts if appropriate.

