



Information Memorandum

Trustee

Trustees Australia Limited
ACN 010 579 058

Investment Manager

Fortlake Asset Management Pty Ltd
ACN 643 640 939
ABN 30 643 640 939

April 2021

This Information Memorandum is dated 28 April 2021 and is issued by Trustees Australia Limited ACN 010 579 058 (**Trustees Australia** or **Trustee**) in respect of an investment in units in the Fortlake Sigma Opportunities Fund (the **Fund**). Trustees Australia Limited is the holder of Australian financial services licence 260 038. This offer to subscribe for units in the Fund is only made to Wholesale Clients (as defined in the *Corporations Act 2001* (Cth) (the **Act**). The Fund is an unregistered managed investment scheme. This offer is only open to investors who receive this Information Memorandum in Australia and New Zealand and does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Units in the Fund are not offered in New Zealand other than to “wholesale investors” within the meaning of the Financial Markets Conduct Act 2013. If you are a New Zealand investor, and apply for units, you warrant that you are such a “wholesale investor” and agree that you will not sell the units in the Fund within 12 months after they are issued, in circumstances where disclosure would be required under Part 3 of the Financial Markets Conduct Act or in circumstances which may result in the issuer or its directors or related bodies corporate incurring any liability. This Information Memorandum is not, and is not required to be, a disclosure document or product disclosure statement within the meaning of the Act. This Information Memorandum may not contain the same level of disclosure as those documents and has not been, and is not required to be, lodged with the Australian Securities & Investments Commission in Australia or the Financial Markets Authority in New Zealand.

This Information Memorandum is not a recommendation to invest in the Fund and may not include all of the information that an investor needs to make an investment decision. The Trustee does not take into account the individual circumstances of any investor, nor does it or any of its Specified Persons (defined below) give financial product advice with respect to this Information Memorandum. Accordingly, investors should make their own enquiries and obtain professional legal, financial, tax and accounting advice before making an investment decision with respect to the Fund. An investment in the Fund is subject to investment and other risks, including loss of income and capital invested. Investors should read carefully the "Risks" in Section 6 of this Information Memorandum.

This Information Memorandum does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction or in circumstances in which such offer or solicitation is not authorised or where a regulated disclosure document is required. No person receiving a copy of this Information Memorandum in any jurisdiction may treat it as constituting an offer or invitation to that person to apply for units in the Fund unless, in the relevant jurisdiction, such an offer or invitation could lawfully be made to the person.

This Information Memorandum supersedes all preliminary information and other previous communications in respect of the Fund. All such preliminary information and previous communications should be disregarded.

The information in this Information Memorandum is up to date at the time of preparation. The Trustee may amend or withdraw this Information Memorandum at any time and may issue a new or amended Information Memorandum from time to time. A copy of the Constitution for the Fund is available from the Trustee. If you are unsure about anything contained in this Information Memorandum or have questions, please contact the Investment Manager.

To the extent permitted by law, neither the Trustee, the Investment Manager, the Administrator, the Prime Broker/Custodian nor their respective affiliates, related bodies corporate, directors, officers, employees, representatives or advisors (**Specified Persons**) accepts any responsibility or liability (including in negligence) for any loss or damage suffered or incurred by the person to whom this Information Memorandum has been delivered (**Recipient**) or any other person or entity however caused arising from or in connection with any act or omission directly in reliance upon or relating in any way to this Information Memorandum including, without limitation, the information contained in it, and from any errors or omissions however caused by the Recipient or any other person or entity placing any reliance on this Information Memorandum, its accuracy or reliability, and for the avoidance of doubt this exclusion of liability includes any cost, expense, loss or other liability directly or indirectly arising from, or in connection with, any omission from or defects, or any failure to correct any information, in this Information Memorandum or any other communication (oral or written) about or concerning them, or the issue of units in the Fund.



Other than to the extent required by law, neither the Trustee, nor any of the Specified Persons makes any representations or warranties, express or implied, as to the accuracy or completeness of any of the information contained in this Information Memorandum or any other information (whether written or oral) made available to investors, and each of such parties expressly disclaims any and all liability relating to or resulting from the use of this Information Memorandum or such other information by the Recipient. This Information Memorandum may contain assumptions, opinions, estimates and forecasts. Except to the extent implied by law, no representation or warranty as to the validity, certainty or completeness of any of the assumptions or the accuracy of the information, opinions, estimates or forecasts contained in this Information Memorandum is made by the Trustee, nor any of the Specified Persons. Neither the Trustee, nor any of the Specified Persons guarantees the rate of capital or income return of any investment in the Fund, the meeting of the investment objectives of the Fund, the performance of the Fund nor repayment of capital from the Fund.

THIS INFORMATION MEMORANDUM IS AN IMPORTANT DOCUMENT THAT SHOULD BE READ IN ITS ENTIRETY. INVESTORS SHOULD OBTAIN PROFESSIONAL ADVICE BEFORE MAKING AN INVESTMENT DECISION IN RELATION TO THE FUND.

Dear Investor,

I am pleased to offer you the opportunity to invest in the Fortlake Sigma Opportunities Fund.

The Fund seeks to target strong returns above the RBA cash rate using a combination of inflation hedges, overlays and arbitrage strategies in the most liquid parts of the fixed income market using specialised techniques only available to institutional-grade fixed income managers.

The Fund should be considered as an aggressive investment that seeks a meaningful return via an investment in investment-grade corporate bond, asset backed securities, inflation derivatives, interest rate derivatives, bank bills and negotiable certificates of deposits opportunities with probability of default of no higher than 3-5 per cent.

The Fund is suited to investors that have a medium-term investment horizon and require a moderately aggressive fixed income allocation.

I look forward to welcoming investors and encourage you to read this Information Memorandum thoroughly to make sure the Fortlake Sigma Opportunities Fund is suitable for your requirements.

Sincerely,

Dr. Christian Baylis
Founder, Chief Investment Officer



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1 FUND DIRECTORY

FUND	Fortlake Sigma Opportunities Fund, an unregistered managed investment scheme. APIR code TAL1576AU.
INVESTMENT MANAGER	Fortlake Asset Management Pty Ltd ACN 643 640 939 Level 5, 66 Clarence Street Sydney NSW 2000 Australia (Fortlake)
TRUSTEE	Trustees Australia Limited ABN 63 010 579 058 (AFSL 260 038) Level 5, 66 Clarence Street Sydney NSW 2000 Australia (Trustees Australia or Trustee)
ADMINISTRATOR	Link Fund Solutions Pty Limited ABN 44 114 914 215 Level 12, 680 George Street Sydney NSW 2000 Australia (Administrator)
PRIME BROKER AND CUSTODIAN	J.P. Morgan Securities LLC ABN 37 109 293 610 277 Park Avenue New York 10172 United States (Prime Broker or Custodian)
AUDITOR	Ernst & Young ABN 75 288 172 749 200 George Street, Sydney, NSW, 2000 (Auditor)



2 THE FUND AT A GLANCE

INVESTMENT OBJECTIVE	The Fund's investment objective is to target strong returns above the RBA cash rate after allowing for inflation, with returns of between 700bps – 1,000bps over a 3 year period, on average.
INVESTMENT STRATEGY	The strategy is quantitative lead and seeks to generate real returns in more liquid parts of the fixed income market using specialised techniques only available to institutional-grade fixed income managers. The Investment Manager seeks to target areas of the fixed income market that have a lower probability of default. The Investment Manager only invests in areas where it deems it has a competitive advantage to other fixed income managers.
INVESTOR ELIGIBILITY	Wholesale Clients, as defined in the Corporations Act 2001.
MINIMUM INITIAL INVESTMENT	\$100,000
VALUATIONS	Daily
DISTRIBUTIONS	Quarterly as of 30 September, 31 December, 31 March, 30 June each year. Investors can elect for distributions to be paid in cash or to be automatically reinvested into the Fund. Please refer to section 7 for further information.
APPLICATIONS	Daily, after the end of the offering period. Please refer to section 8 for further information.
WITHDRAWAL	Daily
MANAGEMENT FEE	0.99% p.a. (incl. GST) of the Net Asset Value payable to the Investment Manager, calculated daily and paid monthly in arrears.
PERFORMANCE FEE	22% (incl. GST) of the Fund's outperformance above 6%, accrued daily and calculated on a half-yearly basis. The Performance Fee (if any) is payable at the end of the relevant Performance Period.
BENCHMARK	RBA cash rate
TRUSTEE FEE	Nil
BUY / SELL SPREAD	0.0% / 0.15%
INVESTMENT RISK	You should carefully consider the key risks of investing in the Fund described in section 6 and, where necessary, seek professional advice as to the suitability of investing in the Fund. There is no guarantee that the investment objective will be achieved, or the implementation of the investment strategy will not result in losses to investors

2.1 INVESTMENT MANAGER

There are several key investment personnel who have day to day responsibility for the running of the Fund. The key persons, including their relevant qualifications and commercial experience, are:

Dr Christian Baylis, Founder, Chief Investment Officer

Christian is a highly regarded Australian-based manager with broad experience across global fixed income and derivatives strategies, having worked previously at UBS Asset Management and the Reserve Bank of Australia (RBA).

Christian managed in excess of \$8 billion AUM and was the lead Portfolio Manager in the UBS Australian Fixed Income team for the UBS Cash Plus Fund, the Insurance and ALM book of business and ran a complex suite of overlay strategies for large cross-border liability clients. Christian was also a member of the Global Multi Strategy Committee and was appointed as the Australian representative for the Global Dynamic Fund, the core global unconstrained Fixed Income offering for UBS Asset Management.

Christian was the Head of Derivative Strategy, Inflation Linked Assets and Credit Trading across the Australian Fixed Income business, managing in excess of \$26 billion. This role incorporated oversight of Sector Strategy - incorporating Semi-government and Sovereign Supra National Agencies (SSAs) and the development of the associated ESG framework for these assets. As a member of the Global Multi Strategy Committee Christian was actively involved in the macro analysis and research of fixed income markets for the global Fixed Income business.

Christian joined UBS Asset Management in March 2011. Whilst managing the UBS Cash-Plus Fund from March 2011 to May 2020, Christian obtained the only 'Highly Recommended' rating from Zenith for consecutive years 2017 – 2020 for the Short-Term Credit category.

Prior to this, he was a Senior Analyst at the Reserve Bank of Australia (RBA), managing the Bank's investment portfolio, liquidity and liability profile. Prior to his role at the RBA, Christian worked for Standard and Poor's, as a Rating Specialist conducting rating assessments and research.

Christian has a PhD in Econometrics from Monash University and was a recipient of the distinguished Exceed First Class Honours award, receiving a perfect GPA. Christian won the Australian Postgraduate Scholar Award at both University of New South Wales (UNSW) and the University of Sydney (USYD) for his work in the Econometrics field and was a visiting scholar at Monash University in the Econometrics faculty. Christian was also the recipient of the prestigious Capital Markets CRC PhD Scholarship where his work focused on alternative methods of inflation modelling, probability density functions and option implied distributions.

Dr Kylie-Anne Richards, Executive Director

Kylie-Anne joined UTS in January 2019 after completing her PhD (Mathematics) on Limit Order Book Dynamics at the University of NSW. She was awarded the QRSLab Boronia Managed Funds PhD Scholarship in 2011. Kylie-Anne also holds a Master's degree in Finance from the University of Hone Kong. Her research and teaching interests are in financial markets, sustainable finance, green finance, ESG, high frequency finance, market microstructure, statistics and econometrics.

Kylie-Anne has had extensive industry experience both domestically and overseas. She began her career as a Quantitative Analyst at Investment Technology Group. Kylie-Anne was Head of Financial Engineering for Asia Pacific at Macquarie Group in Hong Kong and subsequently, Head of Indexation and Quantitative Trading Research at CLSA in Sydney. Most recently she held the position of Director, Portfolio Manager at QTR Capital, a proprietary trading business.

Dr Nalin Prasad, Member of the Investment Team

Dr Prasad previously worked at the Reserve Bank of Australia (RBA) as an Analyst across the Bank's investment portfolio where he conducted research on behalf of the investment committee. He was most recently a visiting

Fellow at the University of Sydney (USYD) Business School where his research focus specialised on volatility spillovers and the impact of macroeconomic news in financial markets.

Dr Prasad is CFA Charter Holder, a Certified FRM Holder and a CPA. He completed his Bachelor Degree in Business (Accounting) from UWS with First Class Honours, was awarded the University Medal and was a recipient of the Australian Postgraduate Award (USYD). He also holds a Master of Engineering Studies degree where he majored in Software and Information Systems engineering and a Bachelor Degree in Computer Engineering

Dr Hoang Lan Do, Member of the Investment Team

Dr Do was most recently an academic scholar at the University of New South Wales (UNSW) where her research and lecturing specialisation was on the topic of Capital Structures in Corporate Finance. Her lecturing career extended across Banking Capital, Financial Markets and Financial Econometrics. Prior to this Dr Do was the Financials Analyst at Vietnamese Investment Group (VIG) and has also been founding partner in variety of Fintech start up opportunities.

Dr Do was awarded the University Medal at the University of Technology Sydney (UTS) for her work in the field of Finance and was awarded the KPMG scholarship award for all round academic excellence.

Hang Nguyen PhD (Risk and Actuarial) Member of the Investment Team

Hang was most recently an Actuarial Executive for Bao Viet Life Insurance (BVL), one of the largest life insurers in the Asia Pacific region. BVL is co-owned by HSBC and State Capital Investment Corporation (SCIC) and will soon incorporate Sumitomo Life. Hang was also a machine learning engineer and a Mathematician for a large slot gaming corporation. Prior to this Hang was a Data Scientist for Verizon Corporation

Hang is a Capital Markets CRC PhD scholar at the University of New South Wales (UNSW) and visiting scholar at the Rozetta Institute where her work was focused on market microstructure and machine learning on annuity products. Hang has recently worked at the school of Risk and Actuarial Science at UNSW and is considered a leading authority in the Mathematics field based on peer review. Hang holds a Masters in Applied Mathematics and Statistics from Stony Brook University, New York and has a B.A. in Mathematics and Economics.

2.2 TRUSTEE

Trustees Australia is the trustee of the Fund and is responsible for the operation of the Fund. The Trustee's responsibilities and obligations are governed by the Fund's Constitution and general trust law.

The Trustee has the power to delegate certain aspects of its duties. The Trustee has appointed Fortlake Asset Management Pty Ltd as the Investment Manager, Link Fund Solutions Pty Limited as the Administrator of the Fund and J.P. Morgan Securities LLC as the Prime Broker and Custodian of the Fund.

3 FORTLAKE SIGMA OPPORTUNITIES FUND

3.1 INVESTMENT STRUCTURE

The Fund is an unregistered wholesale Australian domiciled fund structured as a unit trust. Fortlake is the Investment Manager of the Fund. The governing rules of the Fund are detailed in the Fund's Constitution. A copy of the Constitution is available from the Trustee. Investors are issued with units which entitle them to an interest in the Fund's assets and other rights and obligations as described in the Constitution. Assets are acquired in accordance with the Fund's investment strategy.

3.2 INVESTMENT OBJECTIVE

The Fund's investment objective is to target strong returns above the RBA cash rate, with returns of between 700bps – 1,000bps over a 3 year period, on average.

3.3 INVESTMENT STYLE

The focus of the Fund is fixed interest investments. The Fund's investment style utilises a variety of institutional techniques, including a combination of inflation hedges, overlays, arbitrage strategies and to opportunistically allocate to selective opportunities or to apply a distortions based investment approach in order to generate a meaningful return above the RBA cash rate. The focus and style of the Investment Manager is to seek out lower probability of default (POD) opportunities in fixed income markets relative to risk and then use specialised techniques to deliver strong returns to investors using a variety of return sources that have market-based correlations.

3.4 INVESTMENT UNIVERSE

The investment universe is comprised mainly of investment-grade corporate bonds, asset backed securities inflation derivatives, interest rate derivatives, bank bills and Negotiable Certificates of Deposit (NCDs) issued by larger Australian banks. The Investment Manager's remit is to seek out the best opportunities irrespective of geography across rates, credit and inflation markets. As a result the investment universe is a function of return versus probability of default (POD) and risk. Consequently, the investment universe is statistically based due to the filters that are used and will be dynamic and based on changes in the investment environment. Fortlake aims to hedge any foreign currency exposure back to the Australian dollar.

3.5 INVESTMENT PHILOSOPHY

The fundamental principle underpinning the investment strategy is that returns can be enhanced and delivered with lower risk via the use of the interposing methodology.

- Opportunity identification should be qualified through a risk framework Fortlake calls 'interposing'. It starts with probability of default (POD) extraction methods and then applies investment capability into the themes that exhibit the most attractive results.
- Interposing effectively allows silos of value to overlap one another and not to sit independently of one another. In practice silos of value are co-dependent in various shades albeit contingent on the environment
- Fixed income professionals tend to be specialised within particular areas of the FI market i.e. credit, duration, high-grade or inflation. Rarely do these professionals possess a strong understanding of the connectivity across the different silos of the fixed income market. For example, a duration position should be applied in a 'best of fit' way be it through corporate duration, real yield duration, global duration or curve duration. This is an atypical approach given duration managers typically manage positioning through government bonds or futures / derivatives.
- Fixed income markets have deep 'alpha pools', with that comes breadth and scope to deliver value at lower per unit risk, more so than other asset classes. This can be done by seeking alpha in the lowest risk form in variety of markets with different liquidity profiles. Firstly, understanding where to deliver it from i.e. credit then secondly how best to apply it. Fixed income markets allow a multiple of unique ways to apply various exposures of like nature.

- Fortlake’s point of difference is that it aims to interpose the silos of value to ascertain causality. This is achieved by multi-tasking between the value sources or across the FI spectrum.
- With risk being blended across the silos, the focus of the investment effort is targeted at how each silo is inter-related.

INVESTMENT PROCESS

The Investment Manager invests based on a 6-stage process:

- Stage 1 – Universe and Opportunity Set

The Investment Manager identifies a shortlist of potential investments (the investment universe) which fit the Fund’s investment parameters. This process involves analysing a range of investment instruments and forming a view as to their relative merits (including any discount to their intrinsic value), based on their risks and potential return, commensurate with the Fund’s target return. Once the Investment Manager has completed this analysis, it uses this data to optimize capital allocation and weight the portfolio.

- Stage 2 – Factor Audit

Once the investment universe is defined, each of the potential investments is subject to further analysis and modelling through repeated simulation. This stage involves scrutinising the performance of the potential investments across a range of factors. Such factors may include macroeconomic factors or investment specific factors like volatility or momentum. Potential investments are ranked across each factor with a view of identifying opportunities and areas for further optimisation. The factors used in this stage may change over time and themselves are evaluated regularly by the Investment Manager to ensure effectiveness.

- Stage 3 – Implementation Review

Once the investments and allocations have been confirmed, the Investment Manager considers the most effective means of implementing the investment. For example, in some circumstances, the Investment Manager may elect to trade in a bond directly, and in others, it may elect to instead trade via a derivative. In determining this, the Investment Manager will have regard to the potential merits and risks associated with each approach.

- Stage 4 – Execution Review

Once the most appropriate means of implementation has been identified, the Investment Manager determines the optimal means of executing the trade. This includes an evaluation of the potential trading counterparties, informed by the Investment Manager’s previous knowledge and experience with the counterparties.

- Stage 5 – Post Execution Review

When the Investment Manager executes a trade (and thereafter), it analyses how the market responds to its trade. The Investment Manager uses this data to develop a profile on counterparty firms and the market, which it uses to better inform trading strategy and counterparty selection in the future.

- Stage 6 – Live Monitor

The portfolio is then subject to ongoing monitoring and evaluation. The data collected at this stage is used to evaluate the sufficiency of the model and identify further areas of optimisation.

3.6 PORTFOLIO CONSTRUCTION

The portfolio will typically contain 20 to 70 positions. The portfolio will typically contain derivative positions (both exchange traded and over the counter) as well, particularly when it is more efficient to execute a particular thematic via the derivative.

Interests in the Fund will be issued in Australian dollars, however, the Fund will have underlying positions in US dollars and other currencies which will generally be hedged back to Australian dollars.

4 RISKS OF INVESTING

Investors should be aware that there is no guarantee that the implementation of the investment objective or process will not result in losses to investors. The return of capital and the performance of the Fund are not guaranteed by any person or organisation, including the Investment Manager, the Trustee, the Prime Broker or the Custodian. Therefore, each investor should carefully consider the risks of investing and, where necessary, seek professional advice as to the suitability of investing in the Fund. Some risks of investing in the Fund include, but are not limited to:

4.1 MANAGER SKILL

The Fund relies heavily on the ability of the Investment Manager to identify investments that will outperform other investment options. Furthermore, the Fund relies on the ability of the Investment Manager to identify overall market direction. If the Investment Manager makes the wrong decisions, the Fund can have negative returns.

4.2 KEY PERSON RISK

From time to time, there may be changes to the personnel of the Investment Manager. Such changes may include key personnel and may have an impact on investment returns of the Fund.

4.3 LEVERAGE

The Investment Manager may leverage the Fund's capital because it believes that the use of leverage may enable the Fund to achieve a higher rate of return. Accordingly, the Trustee may pledge the Fund's investments in order to borrow additional funds for investment purposes. The Fund may also leverage its investment return with derivatives. The amount of borrowings which the Fund may have outstanding at any time may be substantial in relation to its capital. Leverage can magnify both the gains and losses and investors may experience increased volatility in the value of their investments.

4.4 LIQUIDITY

The Investment Manager invests in high-grade bonds, government or government related bonds and may invest opportunistically in short-term investment-grade bonds. Investments in bonds may suffer from a lack of liquidity during the term of the bond, or if there is a thin market for the particular bonds.

4.5 DIVERSIFICATION

The Investment Manager intends to seek to diversify the Fund's investments as it deems appropriate and consistent with the Fund's investment objective. If the Fund's investment portfolio is concentrated in a small number of investments, the portfolio will be subject to a greater level of volatility.

4.6 DERIVATIVES RISK

Derivatives, such as options, futures and swaps, may be used by the Investment Manager for hedging and non-hedging purposes, such as:

- To manage particular risks (e.g. currency risks);
- When it is more efficient to execute a particular thematic via the derivative; or
- To reduce risk or gain exposure to other types of investments when appropriate.

The risks of using derivatives might include: the value of the derivative failing to move in line with the underlying asset, potential illiquidity of the derivative, the possibility that the derivative position is difficult or costly to reverse, the derivative not performing as expected, and counterparty risk.

4.7 COUNTERPARTY RISK

Counterparty risk is the risk of loss caused by another party defaulting on its financial obligations either because they become insolvent or cannot otherwise meet their obligations to the Fund. A party defaulting on its obligations could subject the Fund to substantial losses because the Fund will still be required to fulfil its obligations on any transactions which were to have substantially offset other contracts.

4.8 CURRENCY RISK

At the date of this Information Memorandum, it is intended that the functional currency of the Fund's principal trading account will be Australian dollars, although the Trustee retains the discretion to change this. The Fund will have exposure to investments which are denominated in currencies other than the functional currency. If the value of foreign currencies changes relative to the functional currency, the value of the investments of the Fund may change. There is a risk that the value of investments of the Fund will change due to movements in the exchange rate between the local currency and the Australian dollar. The Investment Manager intends to manage this by hedging back to Australian dollar.

4.9 INTEREST RATE RISK

Interest rates and bond prices have an inverse relationship. Changes in interest rates can have a direct impact on bond prices and the returns available on the investments of the Fund. They can also have an indirect positive or negative impact on the relative attractiveness of fixed income instruments to other asset classes, or on the capacity to service any borrowings by the Fund.

4.10 FOREIGN TAXATION

The Fund may invest in markets located in many jurisdictions around the world with different tax regimes, some of which may subject the Fund to withholding or other taxation, which may impact the Fund's returns.

4.11 FUND RISK

Common risks associated with most managed funds include the risk that: the Fund may be terminated; the fees and expenses could change; or the Trustee or the Investment Manager could change. The Trustee has the discretion to compulsorily redeem Units. In addition, the results of investing in the Fund may lead to different results compared with investing directly in securities because of income or capital gains accrued in the Fund and the consequences of other investors investing in, or withdrawing from, the Fund.

4.12 SERVICE PROVIDER RISK

The Fund relies on external service providers in connection with its operations. Services include prime brokerage/custody, fund administration and middle office. There is a risk that these service providers may not meet

their contractual obligations, or seek to terminate their services to the Fund. In this situation, the Fund may be required to replace a service provider and this may lead to a disruption to the activities of the Fund.

4.13 LEGAL, REGULATORY & TAX RISK

Legal, regulatory and tax changes could occur during the term of the Fund, which may adversely affect the Fund and its underlying investments. The value or tax treatment of an investment, or the effectiveness of the Fund's trading or investment strategy may be adversely affected by changes in government (including taxation) policies, regulations and laws, or changes in generally accepted accounting policies or valuation methods.

4.14 WITHDRAWAL RISK

If market events reduce the liquidity of the Fund's investments, the generally applicable timeframe for meeting withdrawal requests may not be met. In addition, if an investor or a group of investors seek to make large withdrawals, then selling assets to meet those withdrawals may result in a detrimental impact on the price received by the Fund for those assets. In certain circumstances, it may be necessary to suspend withdrawals to allow sufficient time for liquidation of assets to meet withdrawals. It may also be necessary to distribute capital of the Fund by way of an in-specie distribution of the underlying assets to investors.



5 FEES AND EXPENSES

5.1 OVERVIEW

MANAGEMENT FEE	0.99% p.a. (incl. GST) of the Net Asset Value, accrued daily and paid monthly in arrears.
ESTABLISHMENT FEE	Nil
REDEMPTION FEE	Nil
PERFORMANCE FEE	22% (incl. GST) of the Fund's outperformance above 6%, accrued daily and calculated on a half-yearly basis.
TRUSTEE FEE	Nil
BUY/SELL SPREAD	+0.0%/- 0.15%

5.2 MANAGEMENT FEE

A management of 0.99% per annum (incl. GST) of the Net Asset Value is payable to the Investment Manager. The management fee is calculated and paid monthly in arrears.

5.3 PERFORMANCE FEE

A performance fee of 22% (incl. GST) of the Fund's outperformance above 6%, accrued daily and calculated on a half-yearly basis. The Performance Fee (if any) is payable at the end of the relevant Performance Period.

5.4 OTHER FEES AND EXPENSES

Other Fees and Expenses

The Trustee is entitled in accordance with the Fund's Constitution to be reimbursed for all expenses incurred in relation to the establishment, administration or management of the Fund in the proper performance of its duties. The Fund will pay out of Fund assets ordinary direct expenses such as custodial, administrative, middle office, accounting, registry, legal, transactional and operational costs (including hedging costs), banking and audit expenses properly incurred in respect of the Fund. These represent the operating expenses and outgoings in connection with the start-up costs and day-to-day operation of the Fund. Extraordinary expenses, such as the costs of convening investor meetings or defending a third-party claim made against the Fund, will also be paid by the Fund.

Buy/sell spread

Applications and redemptions are generally subject to a sell spread of 0.15%. For more information on the buy/sell spread, please refer to section 6.

Fees Waiver, Deferral or Reduction

The Trustee retains the sole discretion to elect to waive, defer or reduce any fees from time to time. Any such waiver, deferral or reduction will in no way affect the right to receive any fees payable. The Trustee retains the absolute discretion to rebate, waive, defer or reduce all or any part of any fees applicable to Units for certain investors.

6 UNIT PRICING AND VALUATIONS

When you invest in the Fund you are allocated a number of units in the Fund. Each of these units represents an equal undivided part of the market value of the portfolio of investments that the Fund holds. All unit prices are calculated to four (4) decimal places. The number of units issued is calculated and rounded to two (2) decimal places.

Units are priced on every Business Day of the year ('Valuation Day').

The net asset value of the Fund includes the value of income accumulated since the previous distribution date.

There is a difference between the application and the redemption unit price which is a result of transaction costs. The buy/sell spread is applied because an application or redemption may necessitate the purchase or sale of Fund assets, incurring transaction costs such as brokerage, government duties and taxes. So that existing investors do not continually bear the transaction costs resulting from new investments or redemptions that are made, each investor pays a sell spread of up to 0.15% when they transact in the Fund. This is paid into the Fund for the benefit of all investors.

The spread of the Fund may be reviewed by the Trustee and altered or waived from time to time. The Trustee may also determine a reasonable estimate of the actual amount necessary to avoid an adverse impact on other investor's due to the acquisition or disposal of assets carried out because of a particular application or redemption and apply this as the buy/sell spread for that particular application or redemption.

A nil or reduced buy/sell spread may also be applied where an application from one investor coincides with a redemption from an existing investor, i.e. a 'crossing'.

In calculating the net asset value of the Fund, the Administrator or their affiliates may rely upon, and will not be responsible for the accuracy of, financial data furnished to it by third parties, including automatic processing services, brokers, market makers or intermediaries, the Investment Manager, Trustee and any administrator or valuations agent of other collective investments into which the Fund invests. If, and to the extent that, the Trustee is responsible for or otherwise involved in the pricing of any of the Fund's assets (for example, in the case of unlisted or suspended stocks), the Administrator may accept, use and rely on such prices, without verification, in determining the net asset value of the Fund and shall not be liable to the Fund, any investor or any other person in doing so.

7 DISTRIBUTIONS

Distributions will be determined quarterly as at 30 September, 31 December, 31 March, 30 June each year or more frequently at the Investment Manager's discretion. Distributions will generally be paid within 30 days after the distribution date.

Investors must elect in the Fund's Subscription Agreement whether they wish to be paid distributions in cash or have distributions automatically reinvested into the Fund after each distribution date. An investor can change their distribution option by notifying the Administrator in writing at least twenty 20 Business Days prior to the relevant distribution date. Investors will still have to pay tax on a distribution, even if it is reinvested.

In certain circumstances, such as where investments are sold to meet a significant redemption, the Trustee may choose to allocate undistributed income and any net realised capital gains to withdrawing investors based on a pro-rata allocation with reference to the number of units being withdrawn. This would only be utilised to ensure a fair and reasonable allocation of any undistributed income and net realised capital gains amongst all investors.

The Trustee has absolute discretion, in performing its obligation as trustee, and may accept or reject a written direction from an investor. The Trustee may also in its discretion waive the minimum initial investment and minimum holding amount requirements.

The Trustee reserves the right to cancel distribution reinvestments. Investors will be notified if this occurs.

Distribution statements are forwarded to all investors quarterly.

8 INVESTING IN THE FUND – APPLICATIONS

8.1 WHO CAN INVEST

The Fund is a wholesale fund and only Wholesale Clients within the meaning of section 761G (7) or 761GA of the Act may invest in the Fund. New Zealand investors must also be “wholesale investors” under the Financial Markets Conduct Act. Accordingly, the Trustee will accept investments in the Fund only from investors who:

- invest over \$500,000 in the Fund (for Australian investors only);
- provide the Trustee with a copy of a qualified accountant’s certificate dated within the preceding two (2) years that certifies the required level of income or assets (for New Zealand investors only, this certificate can also be provided by an authorised financial adviser or a lawyer); or
- the investor qualifies as:
 - a “professional investor” within the meaning of the Act (for Australian investors) or
 - an “investment business”, meets the “investment activity criteria”, is “large”, or a “government agency” within the meaning of the Financial Markets Conduct Act (for New Zealand investors).

8.2 OFFERING PERIOD

The Fund will commence with an offering period to provide investors with the opportunity to participate in the initial seeding of the Fund. The offering period is from the date of this Information Memorandum until 5pm Sydney time on 30 November 2020. During the offering period, investors may lodge applications for units in the Fund. Any application money received during the offering period will be held in the Fund’s application account. Following the end of the offering period, Trustees Australia will process any applications received and issue units in the Fund to investors. Trustees Australia reserves the right to close the offering period early, extend the offering period or to reject any applications for units in the Fund.

Trustees Australia will not earn interest on application monies held prior to the time we issue units to you.

8.3 APPLICATION PROCESS AND CUT-OFF TIMES

Applications are accepted at the absolute discretion of the Trustee. Rejected, invalid or incomplete applications will be returned to applicants as soon as possible and application money will be refunded in full without interest.

Application Process and Cut-Off Times

Applications can be made by completing the attached Subscription Agreement for initial investments or the Additional Subscription Form for subsequent additional investments and forwarding it to the Administrator - see the Subscription Agreement or Additional Subscription Form (which are both attached at the end of this Information Memorandum) for the Administrator’s address.

Following the offering period, application requests will generally be processed daily using the unit price effective for the day. If your application request is received before 2pm Sydney time, it will be processed using the unit price effective for the end of the day. If an application request is received after this time, it is treated as having been received the next Business Day.

By sending a completed Application Form and application monies to the Administrator, you are making an offer to become an investor and you are agreeing to be legally bound by the terms of this Information Memorandum and the Constitution.

A copy of the original executed and completed Subscription Agreement may be emailed to the Administrator at fortlake@linkmarketservices.com.au but no Subscription Agreement will be processed until the Administrator has received a properly completed original.

Subsequent additional investments may be effected by properly completing the Additional Subscription Form which is attached to this Information Memorandum and sending the original executed and completed Additional Subscription Form to the Administrator.

Application requests are subject to client identification procedures that the Trustee and/or the Administrator considers necessary to satisfy obligations under the relevant anti-money laundering and counter terrorism legislation.

8.4 MINIMUM INITIAL INVESTMENT

The minimum initial investment is \$100,000 subject to the Trustee's discretion to accept a lower amount. The Trustee may in its discretion raise or lower the minimum initial investment amount provided that the status of the investor as a wholesale client.

8.5 ADDITIONAL INVESTMENTS

The minimum amount for additional investments is \$1,000.

Additional investors may be admitted to the Fund upon such terms and conditions as are permitted by the Trustee (without the consent of any other investors), which terms and conditions may differ from those applicable to other investors on matters relating to, without limitation, notice periods, fee waivers, rebates or reductions and information rights. New classes of units in the Fund may be established by the Trustee without the approval of the existing investors. However, the Trustee will provide existing investors with written notice of any classification or reclassification of their existing units in the Fund.

9 WITHDRAWALS

9.1 MINIMUM WITHDRAWALS

The minimum redemption is \$1,000 (or such lesser amount as the Trustee may determine). A requested partial redemption which would cause the investor's investment to fall below the minimum holding of \$1,000 (or such lesser amount as the Trustee may determine) will not be permitted.

9.2 WITHDRAWAL PROCESS AND CUT OFF TIMES

Withdrawal requests are generally permitted on each Business Day provided the request is received by the Administrator no later than 2pm (AEST), for processing using unit price effective for the day of redemption. The Trustee may at its discretion allow withdrawals at other times and with longer or shorter notice periods. If the withdrawal request is received by the Administrator after the deadline for receipt of requests for any particular withdrawal date, it will be treated as a request for redemption on the next Business Day.

If you want to withdraw your money, simply contact us in writing and tell us how much you need to withdraw, specify your investor number and ensure your instructions are signed. This is called a redemption request. Redemption requests can be sent to:

LINK Market Services
PO Box 3721
Rhodes NSW 2138
Australia

Alternatively, you can send a redemption request by email to fortlake@linkmarketservices.com.au.

If you would like to send a redemption request by post or email please be aware of the following requirements:

- all instructions must be legible;
- instructions must bear your investor number and signature; and
- redemption proceeds will only be transferred to the financial institution account previously notified to us in writing.

To use this service, you will need to accept full responsibility (to the extent permitted by law) for loss arising from us acting upon scanned instructions which comply with these security processes and you also agree to release and indemnify us in respect of any liability arising from us acting on scanned instructions (including future instructions), even if those instructions are not genuine. Also, you agree that neither you nor any other person has any claim against us in relation to a payment made or action taken under the facsimile or scanned instruction service if the payment is made in accordance with these conditions. These terms and conditions are additional to any other requirements for giving redemption instructions.

The Fund generally processes withdrawal requests within 3 business days of the request (although the constitution for the Fund allows up to 21 days) and pay funds to your account.

The Trustee may stagger withdrawals on a pro-rata basis if the Trustee receives withdrawal requests for a withdrawal date in relation to more than 20% of the units. The unredeemed portion of the withdrawal request will be carried forward to the next withdrawal date (where withdrawal request may again be staggered).

A Withdrawal Request must be made in the form approved by the Trustee and the Administrator, and it must be signed by the investor. If required, please contact the Fund's Client Services Team on 1300 110 344 during business hours or by sending an email to enquiries@fortlake.com.au.

9.3 SUSPENSIONS

The Trustee may suspend for a reasonable period the application, withdrawal or both, of units, or the payment of withdrawals (in whole or in part), if the Trustee considers it is in the interests of investors as a whole. These circumstances include where the Trustee cannot accurately determine the unit price as a result of closure or restriction on trading in a market or exchange or if the realisation of assets cannot be effected at prices which would be obtained if assets were realised in an orderly fashion over a reasonable period in a stable market, if an emergency exists as a result of which it is not reasonably practicable to fairly determine the unit price. Applications and withdrawals received during a suspension period will be processed as of the next application or withdrawal date (as the case may be) after the end of the suspension period, on the basis of the unit price as at that application or withdrawal date (as the case may be).

10 TAXATION

10.1 SUMMARY

Your tax liability ultimately depends on your circumstances, for example, whether you are an Australian resident. So, it's important that you seek professional advice before you invest or deal with your investment.

The discussion below assumes that the Fund will be an Attribution Managed Investment trust (**AMIT**) and that the investor is an Australian resident for tax purposes who holds their units in the Fund directly on capital account. Non-resident investors should seek their own independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant double taxation agreement and/or multilateral instrument/exchange of information agreement between Australia and their country of residence for taxation purposes.

You may need to pay tax in relation to your investment in the Fund. Whilst you may pay income tax, you might be able to claim some tax credits or have the benefit of some concessions.

The Fund is an Australian resident trust for Australian tax purposes. It is required to determine its tax components for each year of income. These tax components may include assessable income, exempt income, non-assessable non-exempt income, tax offsets and credits of different characters. The trustee will attribute the tax components to investors on an annual basis such that investors should be treated as having derived their share of the tax components of the Fund directly on a flow through basis. In the case where a Fund makes a loss for tax purposes, that Fund cannot distribute (or attribute) the loss to investors. However, subject to the relevant Fund meeting certain conditions the Fund may be able to take into account the losses in subsequent years.

The Fund will generally attribute any income and realised gains (the timing of recognition of income may be impacted by the Taxation of Financial Arrangements (**TOFA**) provisions as noted below), if any, shortly after 30 June each year. Investors will be required to include in their assessable income the taxable components attributed to them by the Fund. The Fund may attribute a number of different types of income which reflect the income derived by the Fund. These components could comprise of:

- Interest;
- capital gains;
- foreign income and foreign income tax offsets;
- Australian sourced income;
- franked dividends/franking credits; and
- non-assessable amounts.

If the Fund's assets are \$100 million or more it will be subject to TOFA provisions of the tax legislation which provide rules in relation to the method for calculating gains and losses from financial arrangements and the time at which these gains and losses are brought to account for tax purposes (the default recognition of gains and losses would be accruals or realisation method but there are certain elections that the Trustee might make for alternative timing recognition).

An investor's share of the assessable tax components of the Fund for a year of income forms part of the investor's assessable income of that year.

Tax components of the Fund which are allocated to investors may include franked distributions. Subject to the application of anti-avoidance provisions at the Fund level (such as the dividend imputation holding period and related payment rules), such franked distributions generally entitle Australian resident investors to obtain a tax offset (the franking credit) that is available to offset against their income tax liability. Franked distributions and franking credits are included in a person's assessable income. If the franking credits exceed the tax payable on an investor's taxable income, the excess credits may be refundable to the investor if the investor is a resident individual or complying superannuation fund. Excess franking credits may generate tax losses if the investor is a corporate entity.

Tax components of the Fund which are attributed to investors may also include non-cash amounts, such as foreign income tax offsets (**FITOs**). Depending on the investor's circumstances, they may be able to claim a tax offset for these amounts against Australian income tax payable on foreign income. An investor's entitlement to FITOs may be limited to the extent that the FITO does not relate to an amount included in assessable income, or to the extent the investors do not have sufficient overall foreign source income to utilise all of the FITOs relevant to a particular year of income. The excess FITOs cannot be carried forward to a future income year.

We will send you the information you need each year in the form of an AMIT Member Annual Tax (**AMMA**) Statement to help you to complete your tax return. This information will advise the investor of the share of the tax components of the Fund (if any) any foreign income/foreign income tax offsets as well as any adjustments required to be made to the investor's cost base. This will assist the investor when preparing their income tax return.

The amount of the tax components of the Fund which the investor is required to include in their assessable income may be different to the cash distributions received by an investor in respect of their units. This is because the distributions received on the units is determined by reference to the returns received in respect of the Fund, whereas the tax components of the Fund are determined by reference to the overall tax position of the Fund. An investor may be required to make, in certain circumstances, both upward and downward adjustments to the cost or cost base of their unit holdings. This occurs where during an income year there is a difference between:

- (a). the total of the amounts (money or property) that an investor is entitled to from the Fund and the tax offsets that are attributed to an investor in relation to the year; and
- (b). the tax components (grossed up for any capital gains tax (**CGT**) discount) attributed in that investor's assessable income and any non-assessable non-exempt income.

If the amount in (a) exceeds the amount in (b), the cost base of the investor's units in the Fund should be reduced by the excess amount. This results in either an increased capital gain, or a reduced capital loss, upon the subsequent disposal of the investor's units in the Fund. Should the cost base be reduced to below zero, the amount in excess of the cost base should be a capital gain that is to be included the investor's taxable income.

Conversely, where the amounts in (a) falls short of the amounts in (b) during an income year, the cost base of the investor's units in the Fund should be increased by the shortfall amount.

Additionally, Australian residents will generally realise a capital gain or capital loss when they redeem (or dispose of) units in the Fund.

Depending on the kind of taxpayer you are, and how long you have held your units, you may be entitled to a CGT discount which can reduce the capital gain by up to one half.

If you choose not to provide us with your tax file number (**TFN**) or Australian business number (**ABN**) and don't have an exemption, we must withhold tax at the highest personal rate, plus the Medicare levy, before passing on any distribution to you. The law is very strict on how we can use these details. If this withholding tax applies it is noted that it is merely a collection mechanism and an investor may claim a credit in their annual income tax return in respect of the tax withheld.

Investors should seek their own tax advice to ensure the Fund is appropriate for them.

Neither Trustees Australia nor Fortlake provide any tax advice.

10.2 FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) THE COMMON REPORTING STANDARD (CRS) AND OTHER SIMILAR REGIMES

FATCA

US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act. The United States of America has introduced rules (known as FATCA) which are intended to prevent US persons from avoiding tax. Broadly, the rules may require the Fund to report details of all US persons and suspected US persons in the Fund to the US tax authorities, to prevent a 30% FATCA withholding tax on certain income and proceeds of the Fund. The Australian Government has entered into an agreement with the United States of America to implement the FATCA regime in Australia (**Intergovernmental Agreement**). We may therefore request that you provide certain information in order to comply with FATCA requirements.

COMMON REPORTING STANDARD

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (**CRS**) requires certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. The Fund is a 'Financial Institution' under the CRS and complies with its CRS obligations by obtaining and reporting information on relevant accounts (which may include the Units in the Funds) to the Australian Tax Office (**ATO**).

In order for the Fund to comply with its obligations under CRS and FATCA, Trustees Australia requests the investors to provide certain information and certifications to Trustees Australia for the Fund's compliance with FATCA and the CRS. Trustees Australia will determine whether the Fund is required to report the investors' details to the ATO based on Trustees Australia's assessment of the relevant information received. The ATO may provide this information the IRS (in the case of the FATCA regime) where applicable and to other jurisdictions' tax regulators (in the case of the CRS regime) that have signed the "CRS Competent Authority Agreement", the multilateral framework agreement that provides the mechanism to facilitate the automatic exchange of information in accordance with the CRS. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS and to implement FATCA (in accordance with the Intergovernmental Agreement).

11 ADDITIONAL INFORMATION

11.1 CONSTITUTION

The Fund is governed by a constitution which binds Trustees Australia, as trustee, and the investors of the Fund (**Constitution**). The Constitution sets out the conditions under which the Trustee operates and the rights, responsibilities and duties of the Trustee in respect of the Fund, particularly the right of the Trustee to retire and the ability of the Trustee to charge fees and recover expenses are included in the Constitution.

The Trustee may alter the Constitution in certain circumstances if it reasonably considers that the change will not adversely affect investors' rights. Otherwise, the Trustee must obtain investors' written consent, or approval by special resolution at a meeting convened for that purpose. The Fund may be terminated in certain circumstances stated in its Constitution.

The Constitution contains provisions limiting the requirement of the Trustee to compensate investors. Generally, if the Trustee complies with its duties, it will not be required to compensate an investor for the loss unless required by law. The Constitution also contains provisions regarding the Trustee's liabilities and rights for reimbursement out of the Fund.

Investors' rights

The rights of an investor in the Fund are outlined in the Constitution. These include the right (subject to the other terms of the Constitution and this Information Memorandum) to:

- withdraw units;
- receive income and capital distributions;
- participate in distributions upon termination or winding up of the Fund; and
- call, attend and vote at investor meetings.

Each unit an investor holds in the Fund gives that investor a beneficial interest in the Fund as a whole, but not in any particular asset of the Fund. Holding units in the Fund does not give an investor the right to participate in the management or operation of the Fund.

As at the date of this Information Memorandum, the Trustee has issued one class or units. The Trustee may issue further classes of units and may determine different rights, obligations and restrictions which will attach to the units within those Classes. The Trustee may refuse to register any transfer of units by an investor without providing any reason.

Termination

The Trustee may terminate the Fund in a number of circumstances provided for in the Constitution including on written notice to investors.

Limitation of Investors' liability

The liability of investors is limited by the Constitution to the amount of their investment. The Constitution provides that investors shall not be under any personal obligation to indemnify the Trustee (or its creditors) in respect of the liabilities of the Trustee in relation to the Fund. However, the Trustee cannot give an absolute assurance that an investor's liability is limited in all circumstances as the issue has not been finally determined in court.

11.2 THE ADMINISTRATOR

The Responsible Entity has entered into an administration agreement (**Administration Agreement**) with Link Fund Solutions Pty Ltd (**Administrator**). Under the Administration Agreement, the Administrator agrees to perform certain administrative, accounting and registry services for the Fund.

The Administrator has not been involved in the preparation of any part of this Information Memorandum. It has not authorised or caused the issue of, and expressly disclaims and take no responsibility for any part of this Information Memorandum.

11.3 PRIME BROKER AND CUSTODIAN

The Trustee has appointed J.P. Morgan Securities LLC as the Prime Broker for the Fund.

J.P. Morgan Securities LLC (**JPMS**) and certain of its affiliates (each such affiliate, a **JP Morgan Entity**, and collectively, JP Morgan) may provide certain clearing (including prime brokerage), margin financing and stock lending services with respect to the Fund's securities and cash carried on the books of a JP Morgan Entity. Such services and facilities will be provided pursuant to a series of agreements (the **Customer Documents**) and may include an Institutional Account Agreement with JP Morgan in compliance with the laws, rules and regulations of the United States Securities and Exchange Commission and other exchanges and dealer associations by which certain of the JP Morgan Entities are regulated (collectively, the **US Rules**). The Fund may also enter into principal transactions with one or more JP Morgan Entities.

Fund assets that are held by JPMS as prime broker will be carried in the name of the Fund and shall be subject to a lien to secure the Fund's obligations to JP Morgan. To the extent permitted under US Rules, with respect to JPMS or any other JP Morgan Entity subject to the US Rules, the Fund's assets that are not required by US Rules to be segregated may be borrowed, lent, pledged, repledged, sold, hypothecated, rehypothecated, transferred or otherwise used by such JP Morgan Entities as may hold such assets for their own purposes. Cash held with a JP Morgan Entity subject to the US Rules may be used by such JP Morgan Entity in the course of its business to the extent permitted by the US Rules.

Neither JPMS nor any other JP Morgan Entity will be liable for any loss to the Fund resulting from any act or omission in relation to the services provided under the terms of the Customer Documents unless such loss results directly from the gross negligence, bad faith or willful misfeasance of JPMS or any other JP Morgan Entity, nor shall JPMS or any other JP Morgan Entity be liable for consequential or other types of special damages, or losses to the Fund caused by the insolvency or acts or omissions of any sub-custodian or other third party by whom or in whose control any of the Fund's investments or cash may be held. The Fund has agreed to indemnify JPMS and the other JP Morgan Entities against any loss suffered by, and any claims made against, them to the extent set forth in the Customer Documents.

Neither JPMS nor any other JP Morgan Entity will have any involvement in the management of the Fund or any decision-making discretion relating to the Fund's investments. Neither JPMS nor any other JP Morgan Entity has any responsibility for monitoring whether investments by any investment manager or advisor are in compliance with any internal policies, investment goals or limitations of the Fund, and neither JPMS nor any other JP Morgan Entity will be responsible for any losses suffered by the Fund.

JPMS and each other JP Morgan Entity reserve the right not to clear transactions and not to provide any of the services. JP Morgan and each other JP Morgan Entity reserve the right to terminate the arrangements in accordance with the provisions of the Customer Documents.

JPMS and the other JP Morgan Entities are service providers and are not responsible for the preparation of this document or the activities of the Fund and therefore accept no responsibility for the accuracy of any information contained in this document.

11.4 INVESTORS' PERSONAL INFORMATION

The application form accompanying this Information Memorandum requests personal information. The Investment Manager collect personal information so that they may provide investors with the products and services associated with this Fund. The law may also require the Investment Manager to collect personal information. The Investment Manager may disclose personal information to other parties (confidentiality arrangements apply) that provide services to the Fund, including to the Administrator. The Investment Manager also seek expert help from time to time to help it improve systems, products and services. Investors' personal information may be disclosed to these third parties in such circumstances. Investors' personal information will not otherwise be shared with other third parties. The Investment Manager do not currently transfer investors' personal information overseas, other than personal information may be held by the Administrator in its Singapore office. Investors' personal information may also be used by the Investment Manager to administer, monitor and evaluate products and services, gather, aggregate and report statistical information, assist investors with any queries and take measures to detect and prevent fraud or other illegal activity. The Investment Manager may also be allowed or obliged to disclose information by law and to report on prudential or risk management matters.

The Investment Manager aims to ensure that the personal information it retains about investors is accurate, complete and up-to-date. If investors provide the Investment Manager with incomplete or inaccurate information, the Investment Manager may not be able to provide investors with the products or services they are seeking. Each investor will be required to acknowledge in its application form that the Investment Manager and the Administrator may disclose to each other, to any other service provider to the Fund or to any regulatory body in any applicable jurisdiction copies of the applicant's application form and any information concerning the applicant provided by the applicant to the Investment Manager and/or the Administrator and any such disclosure shall not be treated as a breach of any restriction upon the disclosure of information imposed on such person by law or otherwise.

If investors have concerns about the completeness or accuracy of the information the Investment Manager holds about them, or would like to access or amend their information, or if investors would like a copy of the Investment Manager's Privacy Policy, simply email the Investment Manager at enquiries@fortlake.com.au. The Investment Manager's privacy policy contains information about how investors can lodge a complaint about a breach by the Investment Manager of the Australian Privacy Principles and how such a complaint will be handled. Investors will be taken to agree to the collection, use and disclosure of their personal information as set out above when they make an investment in the Fund.

11.5 ANTI-MONEY LAUNDERING

As part of the Investment Manager's responsibility for the prevention of money laundering and counter terrorism, the Investment Manager and the Administrator or any of their respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, and permitted delegates will require a detailed verification of the applicant's identity and the source of the payment from any person delivering a completed application form. In Australia, money laundering and terrorist financing is a criminal offence.

The Administrator will request verification of identity from all prospective investors to the extent required under the Investment Manager's Know Your Customer (KYC) identification policy. Investors are required to send the completed application form and KYC identification information to the Administrator. The Administrator will notify investors if additional proof of identity is required. Failure to provide the necessary evidence may result in applications being rejected or in delays in the issuance of units.

The Fund and the Administrator, and each of their respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, and permitted delegates will be held harmless and will be fully indemnified by a potential investor against any loss arising as a result of a failure to process an application if such information as has been requested by any of them has not been satisfactorily provided by the applicant. By subscribing, applicants acknowledge that the

Investment Manager may be required by law to provide information about them or to file suspicious transaction reports to regulators.

11.6 EMAIL INSTRUCTIONS

The Administrator will process application and withdrawal requests which are initially received by email. The original application, transfer and redemption requests should follow by courier or post. Neither the Investment Manager nor the Administrator shall be responsible for any miss-delivery or non-receipt of any email or post. Emails and post sent to the Investment Manager or the Administrator will only be effective when actually acknowledged by the Investment Manager or the Administrator. In the event that no acknowledgement is received from the Administrator within five (5) days of submission of the request, you should contact the Fund's Client Services Team on 1300 110 344 during business hours or by sending an email to enquiries@fortlake.com.au.

11.7 ENQUIRIES

If you have any queries in relation to this offer of the Fund, please contact Fund's Client Services Team on 1300 110 344 during business hours or by sending an email to enquiries@fortlake.com.au.



12 GLOSSARY

ACT	The <i>Corporations Act 2001</i> (Cth) for the time being in force, together with the regulations
APPLICATION FORM	The application form that accompanies this Information Memorandum
BENCHMARK	RBA cash rate
BUSINESS DAY	Any day other than a Saturday, Sunday or public holiday in Sydney
CLASS	Class means a class of units in the Fund
CONSTITUTION	The constitution governing the Fund, as amended from time to time
FUND	Fortlake Sigma Opportunities Fund, an unregistered managed investment scheme
TRUSTEE	Trustees Australia Limited ACN 010 579 058 (AFSL 260 038)
INVESTMENT MANAGER	Fortlake Asset Management Pty Ltd ACN 643 640 939
NET ASSET VALUE	Net Asset Value means the gross asset value of the Fund less the total value of the liabilities of the Fund
PERFORMANCE PERIOD	Means: <ul style="list-style-type: none">(a) for the first Performance Period, the period commencing on the issue of the relevant unit; and(b) subsequently, the period commencing on the next day after the end of the previous Performance Period, and ending on the earlier of: <ul style="list-style-type: none">(i) the end of the relevant half-year period ending 30 June or 31 December in which the Performance Fee is being calculated; or(ii) the day on which the relevant unit is redeemed, or the final distribution is made in respect of the relevant unit.
RECIPIENT	Any person to whom this Information Memorandum has been delivered
SPECIFIED PERSONS	Respective affiliates, related bodies corporate, directors, officers, employees, representatives or advisors of the Trustee, the Investment Manager, the Administrator/Custodian, the Prime Broker
SUBSCRIPTION AGREEMENT	The Subscription Agreement attached to this Information Memorandum



SUBSCRIPTION DAY	Each Business Day the Investment Manager accepts subscriptions in the Fund
VALUATION DAY	Each Business Day
WHOLESALE CLIENT	Means a "Wholesale Client", as defined in the <i>Corporations Act 2001</i> (Cth)

13 HOW TO INVEST

APPLICATION PROCESS:

1. Read this Information Memorandum.
2. Complete the Subscription Agreement, including the relevant Identification Form, which accompanies this Information Memorandum.

To request a copy of the Subscription Agreement, please contact the Investment Manager via email: enquiries@fortlake.com.au.

3. Make payment in cash via wire transfer direct to the Administrator's trust account. Follow the instructions in the Subscription Agreement.
4. Following the offering period, application requests will generally be processed daily using the unit price effective for the day. If your application request is received before 2pm Sydney time on the relevant business day, it will be processed using the unit price effective for the end of the day. If an application request is received after this time, it is treated as having been received the following business day. All application monies must originate from an account held in the name of the applicant. No third-party payments will be permitted.

Please send the completed Subscription Agreement and all required documents to the Administrator by email to fortlake@linkmarketservices.com.au.

* Please note that Applications may be refused or not processed if the required documents are not provided.

Additional subscriptions can be made by completing the Additional Subscription Form which is available from the Administrator.