

# Offering Memorandum

1<sup>st</sup> January 2017

**Ten Talents Capital Limited**

An Anguilla Private Mutual Fund Company

*Investment Manager:*

Ten Talents Management Limited

*Administrator:*

First Anguilla Trust Company

THIS DOCUMENT INCLUDES PARTICULARS GIVEN IN COMPLIANCE WITH THE MUTUAL FUNDS ACT, R.S.A. C.M107 AND THE MUTUAL FUNDS REGULATIONS, R.R.A. M107-1 OF ANGUILLA, MADE BY THE GOVERNMENT OF ANGUILLA, FOR THE PURPOSE OF GIVING INFORMATION IN REGARD TO THE FUND (AS DEFINED HEREIN). THE DIRECTORS OF THE FUND COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT AND CONFIRM THAT, HAVING MADE ALL REASONABLE ENQUIRIES, TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH, WOULD MAKE ANY STATEMENT HERE-IN MISLEADING.

THE RECOGNITION OF THE FUND BY THE ANGUILLA FINANCIAL SERVICES COMMISSION DOES NOT CONSTITUTE A GUARANTEE AS TO ITS PERFORMANCE OR ITS CREDITWORTHINESS. IN ITS RECOGNITION OF THE FUND, THE ANGUILLA FINANCIAL SERVICES COMMISSION IS NOT LIABLE FOR THE FUND'S PERFORMANCE OR NEITHER THE DEFAULT OF ITS OPERATORS OR SERVICE PROVIDERS, NOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN THE PROSPECTUS.

THE SHARES ISSUED BY TEN TALENTS CAPITAL LIMITED ("THE FUND") ARE NOT FOR SALE TO U.S. PERSONS, EXCEPT IN A LIMITED NUMBER OF CASES, AS DETERMINED AT THE SOLE DISCRETION OF THE BOARD OF DIRECTORS OF THE FUND. NO PERSON HAS BEEN AUTHORIZED IN CONNECTION WITH THIS OFFERING TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN AS CONTAINED IN THIS INFORMATION MEMORANDUM.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN FILED WITH OR APPROVED OR DISAPPROVED BY ANY REGULATORY AUTHORITY OF ANY COUNTRY OR JURISDICTION, NOR HAS ANY SUCH REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE PROCEDURE FOR APPLICATION IS SET OUT IN PROCEDURE FOR APPLICATIONS AND IN THE SUBSCRIPTION DOCUMENTS (APPENDIX A). ALL REFERENCES TO TIMES IN THIS DOCUMENT ARE TO ANGUILLA TIMES.

## Notice

THE DIRECTORS OF THE FUND COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM AND CONFIRM THAT, HAVING MADE ALL REASONABLE ENQUIRIES, TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH, WOULD MAKE ANY STATEMENT HEREIN MISLEADING.

THE SHARES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION WITHIN THE UNITED STATES, AND NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) NOR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION WITHIN THE UNITED STATES HAS PASSED UPON THE SHARES OR THE ADEQUACY OR ACCURACY OF THIS OFFERING MEMORANDUM. IN ADDITION, THE FUND IS NOT AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “1940 ACT”).

SHARES ARE NOT BEING OFFERED, SOLD OR DELIVERED AFTER SALE IN THE UNITED STATES, EXCEPT IN TRANSACTIONS EXEMPT FROM THE REGISTRATION PROVISIONS OF THE 1933 ACT AND STATE SECURITIES LAWS. ANY SHARES SOLD IN THE UNITED STATES WILL BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AS REQUIRED TO OBTAIN A PRIVATE PLACEMENT EXEMPTION FROM THE REGISTRATION PROVISIONS OF THE 1933 ACT AND STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR RESOLD UNLESS REGISTERED UNDER THE 1933 ACT AND APPLICABLE STATE SECURITY LAW OR IN TRANSACTIONS EXEMPT FROM SUCH REGISTRATION REQUIREMENTS. IN ADDITION, THE APPLICATION FORM AND THE BY-LAWS OF THE FUND CONTAIN RESTRICTIONS ON THE TRANSFER OF SHARES, INCLUDING RESTRICTIONS ON TRANSFER OF SHARES TO U.S. PERSONS AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT.

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, LAWYER, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER. NEITHER THE FUND NOR THE SHARES OF THE FUND DESCRIBED IN THIS OFFERING MEMORANDUM (THE “MEMORANDUM”) HAVE BEEN OR WILL BE REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF THE UNITED STATES (“U.S.”) OR ANY OTHER JURISDICTION, OUTSIDE ANGUILLA. THIS MEMORANDUM SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF SHARES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE DIRECT OR INDIRECT OWNERSHIP OF SHARES BY “RESTRICTED PERSONS” AS DEFINED IN THIS MEMORANDUM IS PROHIBITED EXCEPT IN ACCORDANCE HEREWITH. NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS CONCERNING THE FUND OR THE SHARES WHICH ARE INCONSISTENT WITH THOSE CONTAINED IN THIS MEMORANDUM, AND ANY SUCH REPRESENTATIONS SHOULD ACCORDINGLY BE TREATED AS UNAUTHORIZED AND MAY NOT BE RELIED UPON BY THE RECIPIENT.

THE FUND HAS AN AUTHORIZED SHARE CAPITAL OF AUD\$50,050,000 DIVIDED INTO 50,000 ORDINARY, VOTING, NON-REDEEMABLE SHARES OF PAR VALUE (“ORDINARY SHARES”), AND 50,000,000 NON-VOTING, REDEEMABLE PARTICIPATING SHARES OF PAR VALUE. ADDITIONAL PARTICIPATING SHARES MAY BE ISSUED AS CIRCUMSTANCES DICTATE. THE ARTICLES OF INCORPORATION AND BY-LAWS OF THE FUND EMPOWER THE DIRECTORS TO CREATE DIFFERENT CLASSES OF PARTICIPATING SHARES.

PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, TAX OR FINANCIAL ADVICE. ALL PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS AS TO THE LEGAL, TAX, FINANCIAL OR OTHER MATTERS RELEVANT TO THE SUITABILITY OF AN INVESTMENT IN THE SHARES FOR SUCH INVESTOR.

THE INFORMATION IN THIS MEMORANDUM IS GIVEN AS OF THE DATE ON THE COVER PAGE, UNLESS ANOTHER TIME IS SPECIFIED. INVESTORS MAY NOT INFER FROM EITHER THE SUBSEQUENT DELIVERY OF THIS MEMORANDUM OR ANY SALE OF INTERESTS THAT THERE HAS BEEN NO CHANGE IN THE FACTS DESCRIBED SINCE THAT DATE.

THE PURCHASE OF SHARES IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. THERE IS NO ASSURANCE THAT THE FUND WILL BE PROFITABLE. SEE THE SECTION ENTITLED “CERTAIN RISK FACTORS” WITHIN THIS MEMORANDUM FOR A DESCRIPTION OF CERTAIN RISKS INVOLVED IN THE PURCHASE OF SHARES OF THE FUND.

THIS MEMORANDUM IS INTENDED SOLELY FOR THE USE OF THE PERSON TO WHOM IT HAS BEEN DELIVERED BY THE DIRECTORS OF THE FUND FOR THE PURPOSE OF EVALUATING A POSSIBLE INVESTMENT BY THE RECIPIENT IN THE SHARES DESCRIBED HEREIN. IT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSONS (OTHER THAN PROFESSIONAL ADVISERS OF THE PROSPECTIVE INVESTOR RECEIVING THIS MEMORANDUM FROM THE FUND).

THE FUND HAS BEEN RECOGNISED AS AN ANGUILLA PRIVATE MUTUAL FUND UNDER THE MUTUALS FUND ACT, R.S.A. C. M107 AND THE MUTUAL FUNDS REGULATIONS, R.R.A. M107-1 THEREFORE, THE FUND SHOULD BE VIEWED AS AN INVESTMENT SUITABLE ONLY FOR INVESTORS WHO CAN FULLY EVALUATE AND BEAR THE RISK INVOLVED.

THERE ARE RESTRICTIONS ON THE OFFER AND SALE OF SECURITIES IN THE UNITED KINGDOM. ANY PERSON WHO IS ENGAGED IN ANY ACTIVITY WITH RESPECT TO SECURITIES THAT ARE IN ANY WAY ASSOCIATED WITH THE UNITED KINGDOM MUST COMPLY WITH ALL APPLICABLE PROVISIONS OF UNITED KINGDOM LAW.

THE FUND IS A MUTUAL FUND WHICH WILL NOT BE AUTHORISED OR OTHERWISE APPROVED FOR PROMOTION IN THE UNITED KINGDOM AND IS NOT REGULATED BY THE FINANCIAL CONDUCT AUTHORITY OF THE UNITED KINGDOM. NOR HAS THIS OFFERING MEMORANDUM BEEN ISSUED OR APPROVED BY ANY PERSON AUTHORISED UNDER RELEVANT UNITED KINGDOM LEGISLATION. CONSEQUENTLY, INVESTORS WILL NOT HAVE THE BENEFIT OF THE INVESTORS' COMPENSATION SCHEME AND OTHER PROTECTIONS AFFORDED BY UK LEGISLATION.

AS THE FUND'S NET ASSET VALUE (NAV) WILL BE CALCULATED IN AUSTRALIAN DOLLARS, EACH HOLDER OF SHARES (THE "SHAREHOLDER"), AND NOT THE FUND, WILL BEAR THE RISK OF ANY FOREIGN CURRENCY EXPOSURE RESULTING FROM DIFFERENCES, IF ANY, IN THE VALUE OF THE AUSTRALIAN DOLLAR RELATIVE TO THE CURRENCY IN WHICH SUCH SHAREHOLDER MAINTAINS ITS NET WORTH.

TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS, WHO HAVE TAKEN ALL REASONABLE CARE IN REVIEWING THIS DOCUMENT, THE INFORMATION CONTAINED IN THIS DOCUMENT IS ACCURATE AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION.

# Ten Talents Capital Limited

## SUMMARY

The information set out below should be read in conjunction with, and is qualified in its entirety by, the full text of this Offering Memorandum (the “Memorandum”), the Articles of Incorporation and By-Laws, and the documents and agreements referred to herein, copies of which are available from the Directors upon request.

**The Offer** The Offer in this Memorandum is an invitation to acquire Shares in the Fund, Ten Talents Capital Limited. The Fund is offering non-voting, redeemable, participating Shares for Australian Dollar investments. Shares will be offered at an initial offer price of AUD\$1.00 per Share.

**The Fund** Ten Talents Capital Limited (the “Fund”) is a mutual fund company of unlimited duration that was incorporated with limited liability under the International Business Companies Act, R.S.A. c.I20. The equity interests of the Fund shall not be held by more than 99 persons and invitations to invest in the Fund shall be made on a private basis.

**Investment Objectives** The Fund has four primary objectives: to provide a superior long term absolute return, to outperform the ASX 200 over rolling 12 month periods, to preserve investor capital, and to limit downside risk through prudent use of hedging techniques.

**Investment Strategies** The Fund will employ proprietary quantitative strategies to generate its returns. The Fund will make investments primarily in equities and options listed on USA and Australian exchanges. For a detailed explanation of the Funds strategies, see "Investment Objectives, Strategies and Philosophy".

**Risk factors** The Fund is suitable for investors for whom an investment in the Fund does not represent a complete investment program and who fully understand and bear the risks of an investment in the Fund. Prospective investors should evaluate carefully the risks and benefits involved in investing in the Fund in the context of their overall financial circumstances.

Past performance of the Fund, the Investment Manager or any of its principals is no guarantee of future performance. All investments in mutual funds and securities are speculative and are subject to market risks. The net asset value of the Shares issued under the scheme may go up or down depending upon the forces affecting the securities markets. Therefore, there can be no guarantee against loss resulting from an investment in the Fund and there can be no assurance that the Fund's investment strategies will be successful or that its investment objectives will be attained.

The Fund is designed for investors seeking international diversification and capital appreciation through quantitative strategies. Furthermore, the Fund is subject to risks relating to the creditworthiness of its prime broker and custodian, interest rate movements, currency exchange movements, illiquidity and creditworthiness of the traded securities, sovereign risks associated with investing in overseas markets and diverse risks related to the trading of market instruments such as Shares and derivatives. A complete explanation of these risks can be found in the section, "Certain Risk Factors".

#### **Board of Directors**

The Board of Directors of the Fund consists of two Directors (the "Board" or the "Directors") who exercise primary authority over the Fund. The Directors are David Mark Lockwood and Justine Lara Lockwood whose backgrounds and experiences are detailed in their curriculum vitae which can be had from the registered agent/office of the Fund. Although neither Director is required to maintain any particular level of investment in the fund, both David Mark Lockwood and Justine Lara Lockwood intend that a significant portion of their net worth will be invested at all times in the fund.

#### **Investment Manager**

Ten Talents Management Limited, an Anguilla company, (the "Investment Manager"), has been retained by the Fund to manage and invest the Fund's capital. The Investment Manager's Principal, Mr David Lockwood, will be responsible for all investment decisions in accordance with the guidelines set down in "Investment Objectives, Strategies and Philosophy".

**Shares**

The Fund is offering Participating Shares at a purchase price of AUD\$1.00 per Share. Shares may be purchased at times and at a purchase price as to be determined at the sole discretion of the Directors. Because of differing subscription dates, Shares will be divided into separate Series unique to each investor so as to equitably reflect the differing Performance Fees attributable to each investor (see "Shares Series and Equalization").

**Administrator**

The Fund has entered into an agreement (the "Administration Agreement") with First Anguilla Trust Company Limited, an Anguilla company (the "Administrator") to provide administration services for the Fund. The Administrator will perform various administrative and registrar and transfer agency services for the Fund. These services will include independent and final verification of account balances, accurate tracking of rates of return for each investor, and accurate calculation of management fees payable.

**Eligible Investors**

The Shares may be purchased only by "Eligible Investors," as described herein, except in a limited number of cases and then only after supplementary offering materials have been distributed to such potential investors (such as, without limitation, U.S. tax-exempt investors). Persons interested in purchasing Shares should inform themselves as to the legal requirements within their own countries for the purchase of Shares and any foreign exchange restrictions with which they must comply. The Fund reserves the right to reject, either in whole or in part, subscriptions for Shares, at its absolute discretion (See "Eligible Investors").

Admission as an investor is at the absolute discretion of the Fund's Directors. Even if the investor satisfies the eligibility requirements described above, investment in the fund is suitable only for persons who are able to bear the economic risk of the loss of their investment.

**Subscriptions**

The Directors may admit new investors to the Fund as of the first business day of each month or at other times at their discretion (the Subscription Date). Persons interested in subscribing for Shares in the Fund should deliver a signed Subscription Agreement to the person designated in the Subscription Agreement instructions at least ten business days before the intended Subscription Date. In addition, investors should ensure that subscription funds have been received and cleared by the Fund at least three (3) Business Days before such. For the purposes of this Memorandum, "Business Day" means any day on which the New York Stock Exchange is open for trading.



The acquisition cost per Share will be AUD\$1.00 as described in the section, "Shares Series and Equalization". Full instructions on how to subscribe are contained in the section, "Procedure for Applications".

- Applications** By lodging an Application Form (Appendix A), investors declare that they were given access to the entire Memorandum, together with an Application Form. The Fund will not accept a completed Application Form if it has reason to believe that an Application Form lodged by an Applicant was not accompanied by, or attached to, the Offering Memorandum or if it has reason to believe that the Application Form has been altered or tampered with in any way.
- Minimum Investment** The minimum initial capital contribution of an investor is AUD\$5,000. Subsequent contributions may be made in minimum amounts of AUD\$1,000 unless authorised by the directors.
- Management Fee** The investment manager will be paid, quarterly in arrears, a management fee equal to 2% per annum of the capital investment of each investor (the "Management Fee"). Special offers or discounts may be made at the sole discretion of the directors.
- Performance Allocation** Each quarter the investment manager will receive a performance allocation equal to 20% of profits. This performance fee is assessed only on the portion of the net capital appreciation in each investor's account that exceeds the Fund's benchmark return for the period as well as the respective investor's high water mark. Special offers or discounts may be made at the sole discretion of the directors.
- Transfers** A transfer may be effected at any time by an instrument in writing in any usual or common form in Anguilla or in any other form which the Directors may approve except that the transfer restrictions described in the section of this Memorandum titled: Registration and Transfer of Shares, shall apply.
- Withdrawals** An investor may withdraw all or part of their investment as of the last day of any month, on 30 days' written notice, beginning with the thirteenth full month after the investor's admission to the fund.
- Reports** Shareholders will receive from the Fund quarterly reports, prepared by the Investment Manager, relating to the Fund's performance.
- Sales Charges** There will be no sales commissions payable to shareholders in connection with the offering of interests. The Fund Manager may, at its own expense, agree to pay persons who introduce investors to the Fund.

## **Summary – Why to Invest in the Fund**

The background and investment philosophy of the Fund's directors stand in stark contrast to that of most hedge fund managers. Many fund managers make their living from collecting investor assets and charging high fees on other people's money. In contrast, the directors have supplemented their living from their own investment profits for many years. Many fund managers take an all-or-nothing approach - collecting their fees when things go well and disbanding their funds and returning what is left of their clients' money as soon as losses mount. In contrast, the directors will build Ten Talents Capital from the ground up with their own capital. As such, the directors have "their own skin in the game", ensuring their incentives are aligned with those of their clients. The directors intend to build a Fund that will last a lifetime, creating life-long investment partnerships with their clients.

The Fund has significant size advantages over most other funds. Most funds are forced by virtue of their large portfolios to "buy and hold" the largest stocks listed on the stock market regardless of market conditions. This lack of manoeuvrability makes it difficult for most managed funds to outperform the market or to contain losses during market corrections. In contrast, Ten Talents Capital is significantly more nimble, able to sell off its losing positions when required, diversify into other assets or hedge downside risks much more easily.

The directors of the Fund are committed to providing outstanding long-term investment returns to clients. The trade-off for this significantly higher long-term return is higher short-term volatility. However, this does NOT mean there is greater systemic risk of Fund insolvency. The directors are committed to providing capital preservation as an integral part of long-term outperformance and the investment manager employs diverse risk mitigation measures during times of market turbulence. An investment in the Fund is therefore suited to clients with long-term investment horizons, who are dissatisfied with the poor returns of plain vanilla managed funds, which desire significant capital appreciation and are less concerned with day-to-day market movements.

## **Offer**

The Offer contained in this Memorandum is an invitation to acquire Shares in the Fund, Ten Talents Capital. Prospective investors should read this document in its entirety. The information contained in individual sections is not intended to and does not provide a comprehensive review of the business and the financial affairs of the Fund or the Shares offered under this Memorandum. Interested investors should examine the assumptions underlying the financial information and the risk factors that could affect the financial performance of the Fund and consider these factors carefully in light of their personal financial circumstances. Investors should seek professional advice from their accountant, stockbroker, legal adviser or other professional adviser before deciding whether to invest. The Offer is not financial product advice and does not take into account the investment objectives, financial situation or needs of particular investors. The Fund is not licensed to provide financial product advice in respect of Securities or other financial products.

Investors should seek advice on and observe any restrictions particular to their respective jurisdictions. This Memorandum is not an Offer in any place where, or to any person to whom, it would not be lawful to make the Offer. The Fund is entitled to refuse an application for Shares under this Memorandum if it believes the applicant received the Offer outside Australia in non-compliance with the laws of the relevant foreign jurisdiction.

## **The Fund**

**Generally** Ten Talents Capital Limited (the “Fund”) is a mutual fund company of unlimited duration that was incorporated with limited liability under the International Business Companies Act, R.S.A. c.120. The Fund is offering 50,000,000 non-voting, redeemable, participating Shares of par value each for Australian Dollar investments (herein collectively referred to as the “Shares” or the “Participating Shares” as the context requires). The Fund may issue additional classes of participating Shares, at the sole discretion of the Board (as defined herein) and as circumstances dictate. Shares of a class other than a class discussed herein may be subject to terms and conditions that differ from the terms and conditions applicable to the Shares discussed herein. Such other classes of Shares may be issued without the consent of or notice to the Fund’s shareholders (the “Shareholders”), where the rights attached to any existing class of Shares will not be deemed to be varied by the issue of such other classes of Shares ranking *pari passu* therewith. This is further provided in “ADDITIONAL INFORMATION — General Information”. See “SHARES OF THE FUND — The Fund’s Share Capital.” The equity interests of the Fund shall not be held by more than 99 persons and invitations to invest in the Fund shall be made on a private basis.

## **Investment Objectives, Strategies and Philosophy**

**Objectives** The Fund has four primary objectives: to provide a superior long term absolute return, to outperform the ASX 200 over rolling 12 month periods, to preserve investor capital, and to limit downside risk through prudent use of hedging techniques. Although the Fund is authorized to amend these objectives without shareholder approval, the Directors will make every effort to make any amendments only in consultation with shareholders and inform them well in advance of any significant changes.

**Strategies and Philosophy** The Fund will employ several proprietary quantitative strategies to achieve the objectives detailed above. The core investment strategy seeks to "sell volatility", which is in many ways similar to selling insurance in other markets. This strategy is actually a collection of quantitative programs designed to capture the "volatility risk premium" inherent in several options markets via the systematic selling of uncovered put and call options and various spread strategies. The Fund will apply these strategies to the US equities indices and associated Exchange Traded Funds (ETFs), as well as the volatility index (VIX) and various volatility ETFs.

As an investment strategy, selling volatility can generate very high returns far in excess of the returns generally available in the stock market, especially when markets are trending up or are going sideways. However, the strategy also entails risks during down markets that demand constant vigilance, prudent allocation of capital reserves and disciplined use of exit strategies. Central to the Fund's risk mitigation strategy is the use of a hedging program as explained below.

The Fund will also trade a quantitative program for equities. This program seeks to harness several well-known anomalies in the stock markets, including the value, illiquidity and small-cap premiums. In addition, the program uses a momentum overlay to time the investment decisions. The Fund initially will trade in stocks listed on the Australian and US stock exchanges, but will expand to additional markets if it becomes necessary to improve the liquidity or diversification characteristics of the portfolio. Although the investment manager, Mr David Lockwood, developed this strategy independently, and the mix of algorithms are unique to the Fund, the approach owes much to the groundbreaking work of Jegadeesh and Titman on momentum and the factor modelling approach commonly associated with Nobel laureate Eugene Fama and his colleague Kenneth French.

The Fund will typically hold a large portfolio of small-cap stocks that fit the Fund's quantitative selection criteria. The duration of these stock investments can vary widely from just a few weeks in some cases to years in situations where a stock remains within the relevant parameters. The Fund will never have large, concentrated holdings in individual stocks in order to limit "idiosyncratic risk" associated with a firm's management or industry. However, the Fund may concentrate its holdings in certain sectors or markets when it is the investment manager's belief that this will enhance returns.

It is crucial that prospective clients understand that the risk of short term losses are an integral part of any investing process, and that these risks can never be eliminated, only managed. The Fund seeks to provide clients with a superior long term return far in excess of the average managed fund that simply buys stocks. The inevitable trade-off for this higher return is greater short-term variability in returns including occasional losses. Although these losses can sometimes be sharp and painful, a return to profit is usually swift due to the nature of the strategies employed. For further information on the risks associated with an investment in the Fund, see "Certain Risk Factors".

Prospective clients should note that the directors have built most of their net worth and supplemented their livelihoods through the applications of these investment strategies for more than a decade. In addition, the directors have elected to invest the great majority of their net worth in the Fund as an indication of their continuing faith in the investment strategies.

## **Investment restrictions**

There is no restriction on the investments made by the Fund. However, the Fund will only undertake investments in line with the Investment Objectives noted above and as communicated to shareholders.

## **Minimum and maximum investment, if applicable, for investors**

The minimum initial investment is AUD\$5,000 (subsequent investments AUD\$1,000). The directors reserve the right to refuse investment amounts that they do not deem convenient. Although the main cause for refusal is the protection of potential investors the fund managers are not required to provide any reason. There is no maximum investment, but the directors reserve the right to refuse any investment considered to be against the collective interests of existing shareholders.

## **Any rights and restrictions on Shares, partnership interest, or units being offered**

The Fund will not pay any dividends either from investment income or capital gains and the same will automatically be reinvested in the Fund. The Shares issued to the investors are non-voting Shares.

## **Actual or expected size of shareholder investor base**

The shareholder investor base is expected to comprise a diverse mix of clients with varying backgrounds and financial means. The Fund will never exceed 99 investors.

## **Valuation arrangements and frequency of valuations**

The valuation date of the Fund is the final calendar day for the month at the end of the applicable quarter as follows: 31 March, 30 June, 30 September and 31 December. Quarterly valuations will be communicated to investors no later than ten business days after the valuation date unless situations arise out of the control of the directors. In the case of delayed valuations, this will be communicated to investors as soon as possible.

The net asset value of the non-voting Shares of the Fund will be computed on the valuation date by dividing the value of the Fund's securities plus any cash and other assets (including accrued dividends and interest), less all liabilities (including accrued expenses) by the number of non-voting Shares outstanding, the result being rounded to the nearest whole cent. The majority of the assets traded or held by the Fund are exchange traded and are valued on a marked-to-market basis (last sale price). Asset prices are based on the closing prices for the relevant exchange on the valuation date, or the last day of trading for the relevant exchange prior to the valuation date. Quotations of foreign securities in foreign currency are converted to the Australian dollar equivalent. Subject to the foregoing, securities and other assets for which market quotations are not readily available - for example delisted or over-the-counter stocks - are valued at fair value as determined by the investment manager and approved in good faith by the board of directors. Where bid and ask prices

for these hard-to-value assets are visible in the market, the fair value normally will be the mean price between the bid and ask prices.

In terms of valuation arrangements, the Fund obtains information on market prices and balance sheet and income statements from its Prime Broker and Custodian, Interactive Brokers LLC, a member of NYSE – FINRA – SIPC and regulated by the US Securities and Exchange Commission and the Commodity Futures Trading Commission. Interactive Brokers provides an electronic trading platform which allows tracking of the Net Liquidation Value of the Fund on a real-time basis. The NAV for the Fund will be calculated by the Fund Manager based on these statements and independently verified and confirmed by the Fund's Administrator. If the Administrator receives conflicting information from alternative sources, it is authorized to resolve any conflicts as it sees fit, without liability.

### **Redemption mechanisms**

Shareholders have the right to redeem their Shares on the first calendar day of each month (the Redemption Date). Shareholders must provide the directors at least 30 calendar days advance notice of their intention to redeem Shares, and communicate their instructions to the directors in writing. If such advance notice is not provided, the directors have full discretion to delay the redemption of Shares until the subsequent Redemption Date. If compliance with a shareholder's request for redemption would result in that shareholder being left with a holding of Shares worth less than AUD\$5,000 at the current subscription price, the directors may in their absolute discretion treat the request for redemption of part of such shareholding as a request for the redemption of the whole.

The price at which Shares will be redeemed (the Redemption Price) will be determined by the investment manager and Administrator based on the net asset value of the Fund on the final day the New York Stock Exchange is open for trading prior to the Redemption Date. For example, if a shareholder wishes to redeem Shares on 1 March 2017, the price of those Shares will be based on the Fund's NAV at the close of trading in New York on 28 February 2017. The redemption price will be paid in Australian dollars less the withdrawal fee.

The Fund will endeavour to maintain sufficient liquid assets to enable the redemption proceeds to be transferred to a shareholder as soon as practicable following the relevant Redemption Date, and not later than ten business days thereafter unless the fund is unable to do so because of circumstances beyond its control. In such cases, the Fund will forward the same no later than two months thereafter. Under normal circumstances, shareholders should allow approximately five business days following the Redemption Date for monies to reach their accounts.

At each anniversary date of a purchase of Shares the Fund may redeem at its sole discretion the Shares then in issue at the relevant redemption price and account to the holder thereof accordingly.

The value of the Fund's Shares on redemption date may be more or less than investor's cost, depending on the market value of the portfolio of securities at the time of redemption.

There shall be a lock-up period of 12 months from the date of the initial investment during which no redemptions will be allowed by any investor. This requirement may be waived by the Directors of the Fund at their sole discretion.

## **Fee structure**

**Subscription Fee** There is no subscription fee. Any bank transfer charges incurred by the directors related to the purchase of Shares of the Fund will be absorbed by the directors. Any bank transfer charges levied by the investor's personal bank must be borne by the investor.

**Performance Fee** The Fund will charge a 20% performance fee, which will be assessed at the end of each quarterly accounting period based on the NAV of the fund on the relevant valuation date and paid to the Investment Manager. It is also accrued and paid when Shares are redeemed. This fee is assessed only on the capital appreciation of an investor's Shares net of the management fee and Fund expenses. In addition, the fee is only assessed on the portion of profits that exceed the benchmark return (the simple return of the ASX200 index) for that period. Moreover, no performance fee will be charged on any shareholder balances that are lower than the highest historical value of the respective Shares for all prior accounting periods ("the high water mark").

**Shares Series and Equalization** The Fund will use series accounting to achieve equalization of performance fee allocations among shareholders. The directors will designate different series of Shares to each investor with respect to their Subscription Date and assess performance fees separately based on the relative performance of each series. Unless the Fund decides otherwise, there may be up to 99 series of Shares created, one each for the maximum 99 investors permitted in the Fund.

**Roll Up** The directors intend that separate series of Shares will not be consolidated or "rolled up" into the "lead series", as is common practice with some funds, as this could entail a taxable capital gains event for some investors. However, in the event that the accounting of so many different series becomes impractical, at the end of each quarterly accounting period all Shares which have been assessed a Performance Fee will be consolidated into a single series of Shares, being the oldest series of Shares to have borne the Performance Fee for that period. The new high watermark of all Shares of the consolidated series will be the Net Asset Value per share of the consolidated series as at the end of the quarter after payment of the Performance Fee.

The consolidation will be by reference to the Net Asset Value of each series of Shares being consolidated. Application will then be made at the Net Asset Value for the oldest series of Shares to have borne the Performance Fee for that period and the Fund will issue such additional Shares or redeem Shares so that the Net Asset Value of Shares after the consolidation shall be equal to the Net Asset Value of the oldest series of Shares to have borne the Performance Fee for that period.

**Management Fee** The Fund charges a 0.5% quarterly management fee (equivalent to 2% per annum). The management fee is assessed irrespective of Fund performance at the end of each quarterly accounting period based on the final gross asset value of Shares on the relevant valuation date and paid to the Investment Manager during the subsequent quarter.

The Investment Manager may pay all or part of the Management Fee to third parties for services rendered in connection with the placement of interests in the Fund; this will not increase the Management Fee paid by an investor.

## **Prime Brokerage and Custody Arrangements**

Interactive Brokers LLC have been appointed as Prime Broker to provide a range of services, including trade execution, research services, margin lending, locate securities to borrow to facilitate short sales, and provide custody of Fund assets. By using a brokerage firm as custodian, the Fund avoids paying custodial fees that banks charge other institutional investors. The Prime Broker is compensated through interest on credit balances, margin borrowings and brokerage commissions. The Investment Manager has authority to change the Prime Broker at any time and without notice.

## **Regulatory Matters**

The Fund is not registered as an investment company in the United States and therefore is not required to adhere to the U.S. Investment Company Act of 1940, as amended.

## **Reporting**

Shareholders will receive from the Fund quarterly reports, prepared by the Investment Manager, relating to the Fund's performance within ten (10) days of the end of the quarter. The Fund reserves the right to make interim reports available solely in electronic form.

## **Fiscal Year**

The Fund's fiscal year-end is 31 December.

## **Tax Status**

Under current law, the Fund should not be subject to any Australian income taxation on unrealized income. Certain dividend income, interest income (if any), and certain capital gains income realized by the Fund may be subject to income or withholding taxes in the jurisdiction of the source of such income. Based on advice from Anguilla legal advisers, at the date of this Memorandum, there is no Anguilla income, corporation or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by the Fund or its Shareholders other than Shareholders ordinarily resident in Anguilla. The Fund is subject to an Anguilla annual government fee as well as a fee payable to the Financial Services Commission. Investors should obtain their own legal or tax advice on the tax and other consequences of purchasing, holding, transferring and selling the Shares.



## **Anti-Money Laundering Regulations**

The Fund and the Directors are required to comply with the Anti-Money Laundering and Terrorist Financing Regulations 2009 and all subsequent amendments to these Regulations or Codes issued under them.

The Directors may decline a subscription from an investor or compel the withdrawal of an investor who fails to provide any information requested by the Directors in relation to applicable Anti-Money Laundering and Terrorist Regulations.

The Directors may suspend the withdrawal rights of any investor if it is deemed necessary to do so in order to comply with the Anti-Money Laundering and Terrorist Financing Regulations, or if ordered to do so by a competent Anguillian or other court or regulatory authority. Under the Anti-Money Laundering and Terrorist Financing Regulations and other applicable Anguillian legislation, the Directors may also be required to report investors' transactions with the Fund and to disclose the identity of investors to government authorities.

## **Functional Currency**

The Fund's functional currency, i.e., the currency in which it maintains its books and records and its financial statements, is the Australian Dollar.

## **Timetable**

Offering Memorandum available from 1<sup>st</sup> January 2017.

Shares may be purchased on the first Business Day (as defined herein) of each calendar month or at such other time as determined by the Directors at their sole discretion (each a "Subscription Day").

Written confirmation of the number of Shares allotted to each successful applicant will be sent by the Administrator no later than 10 business days from receipt of payment for receipt of applications to subscribe for Shares. Certificates representing Shares will not be issued. All times referred to in this document are references to Anguilla time, unless otherwise indicated.

## Directory

Fund's Registered Office	201 The Rogers Office Building Edwin Wallace Rey Drive George Hill, Anguilla T: 1 264 498 5858 F: 1 264 497 5504
Investment Manager	Ten Talents Management Limited 201 The Rogers Office Building Edwin Wallace Rey Drive George Hill, Anguilla
Administrator	First Anguilla Trust Company Limited Mitchell House PO Box 174 The Valley, Anguilla
Legal to the Fund	Mr. Carlyle K Rogers CARLYLEROGERS 201 The Rogers Office Building Edwin Wallace Rey Drive George Hill, Anguilla
Broker	Interactive Brokers LLC Document Processing 209 South LaSalle Street 10th Floor Chicago, IL 60604 USA

## Procedure for Applications

Payment of subscription monies should be made to the account of the Fund specified herein below and the monies will be considered received when duly cleared to the Fund and approved by the Registrar and Directors.

The Shares may only be offered to Eligible Investors and, consequentially, may only be traded between Eligible Investors and the Fund. Potential applicants should note that the Directors retain the right to issue further Shares at any time. Applications for Shares may be made on the first Business Day of each calendar month or at such other time determined by the Directors at their sole discretion (each a “Subscription Day”).

Application for Shares should be made by completing and signing the Subscription Agreement enclosed with this Memorandum at Appendix A and mailing the same to the Directors at the address listed. Alternatively, application may be made by email by completing and signing the Subscription Agreement and scanning the same to the Directors. In the event that application is made by email, the applicant must send the signed original application to the Directors immediately thereafter. Payment for Shares may be made by wire transfer only.

The Fund has the right to accept or reject (in whole or part) any application for Shares. Applicants should be aware of the risks associated with sending email applications and that the Directors accept no responsibility for any loss caused due to the non-receipt of any email.

Unless otherwise agreed to, applications for the issuance of Shares on a particular Subscription Day must be received by 5:00 p.m. (Australian Central Time) at least ten (10) Business Days immediately preceding the relevant Subscription Day with cleared funds to be received three (3) business days prior to the relevant Subscription Day. Shares will be held in book entry form and a contract note only will be sent to the applicant after the relevant Subscription Day – provided the Fund has received the properly completed application form, all necessary due diligence information as requested by the Administrator, and upon acceptance of subscription monies by the Fund. Applications received after this time will be held in an account and treated as an application for the next Subscription Day.

Applicants subscribing for Shares are advised that the Shares are issued subject to the provisions of the Fund’s Articles of Incorporation and By-Laws.

As part of the Fund’s responsibility for the prevention of money laundering, it may require a detailed verification of the applicant’s identity and the source of payment for the Shares. A detailed verification might not be required when:

- (a) the applicant makes payment by wire transfer from an account held in the applicant’s name at a recognized financial institution residing in a recognized jurisdiction, as defined under the laws of Anguilla, and the applicant’s details appear in the confirmation of the wire transfer; or
- (b) the application is made through a recognized intermediary.

These exceptions will apply only if the financial institution or intermediary referred to above is within a country recognized as having sufficient anti-money laundering regulations. In the case of (a) above, to avoid delays, the applicant should ensure that its remitting bank includes the applicant's full name and account number in any confirmation that it sends.

The Administrator reserves the right to request such information as it considers to be necessary to verify the identity of the applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Fund may refuse to accept the application and all subscription monies relating thereto or may refuse to process a redemption request until proper information has been provided. Identification requirements are outlined in Appendix B.

## **Eligible Investors**

The Fund is intended for friends and family of the Directors. Unless otherwise agreed to by the Fund, each prospective investor is required to certify that the Shares are not being acquired directly or indirectly for the account or benefit of a Restricted Person. The term "Restricted Person" as used in this Memorandum means any U.S. Person and other persons from time to time designated as such by the Fund.

Except in connection with a superannuation fund or other fund or trust regulated by the Australian Superannuation Industry (Supervision) Act 1993, any prospective investor acting in any fiduciary capacity is required to certify the approximate number of beneficial owners for whom Shares are being purchased. Furthermore, it is the responsibility of each investor to verify that the purchase and payment for the Shares is in compliance with all relevant laws of the investor's jurisdiction or residence.

The Fund reserves the right to offer Shares to Restricted Persons upon compliance with applicable rules and regulations. The Fund reserves the right to reject subscriptions for Shares, in whole or in part, at its absolute discretion for any reason or for no reason.

The Fund's By-Laws provide that the Directors have the power to impose such restrictions as they may deem necessary for the purpose of ensuring that no Ordinary Shares or Participating Shares in the Fund are acquired or held by any person or persons in circumstances (whether directly or indirectly affecting such person or persons) which, in the opinion of the Directors, might result in the Fund incurring any tax liability or suffering any other pecuniary or commercial disadvantage that the Fund might not otherwise have incurred or suffered ("a Non-Qualified Person"). In the event that the Fund incurs any such tax liability or suffering or any other pecuniary or commercial disadvantage resulting from a Non-Qualified Person being a Shareholder, the Fund may require such Person to reimburse the Fund for such tax liability, suffering or disadvantage.

The Fund's By-Laws provide that if it comes to the notice of the Directors that any Ordinary Shares or Participating Shares are held by any such Non-Qualified Person, the Directors may give notice to such Non-Qualified Person requiring the redemption or transfer of such Non-Qualified Person's Ordinary Shares, or Participating Shares as the case may be, in accordance with the provisions of the Articles of Incorporation and By-Laws of the Fund. A person who becomes aware that he or she

is holding Shares under circumstances that render such person a Non-Qualified Person is required either to deliver to the Fund a written request for redemption of such Shares in accordance with the Articles of Incorporation and By-Laws of the Fund or to transfer the same to a person who would not thereby be a Non-Qualified Person.

## **Registration and Transfer of Shares**

Shares are issued only in registered form; the Fund does not issue bearer shares. The Administrator maintains a current register of the names and addresses of the Shareholders, and the Administrator's entry in the share register is conclusive evidence of ownership of such Shares. Certificates representing Shares will not be issued.

In accordance with Anguilla law and the By-Laws of the Fund, Shares are only issued or registered in the names of companies, partnerships or individuals. Shares purchased for those under twenty-one (21) years of age must be registered in the name of a parent or guardian, but may be designated with the minor's initials for the purposes of identification. The Fund will take no cognizance of any trust applicable to the Shares so registered.

Any transferee of Shares is required to furnish the same information and complete the same documents that would be required in connection with a direct subscription, including without limitation being required to complete a subscription agreement, in order for a transfer application to be considered by the Directors. Violation of applicable ownership and transfer restrictions may result in a compulsory redemption.

## **Certain Risk Factors**

This Fund is suitable for investors for whom an investment in the Fund does not represent a complete investment program and who fully understand and bear the risks of an investment in the Fund. Prospective investors should carefully evaluate the risks and benefits involved in investing in the Fund in the context of their overall financial circumstances.

Prospective investors should give careful consideration to the following risk factors in evaluating the merits and suitability of an investment in the Fund. The following does not purport to be a comprehensive summary of all of the risks associated with an investment in the Fund. Rather, the following are only certain risks to which the Fund is subject and that the Investment Manager wishes to encourage prospective investors to discuss in detail with their professional advisers.

**Potential of Loss** Past performance of the Fund, Investment Manager or any of its principals is no guarantee of future performance. Accordingly, an investment in the Fund entails a degree of uncertainty. There can be no assurance that the Fund will achieve its investment objectives or that the strategies described herein will be successful. As is true of any investment, there is a risk that an investment in the Fund will be lost entirely or in part.

**Risk of Investing in Financial Markets** All investments in mutual funds and securities are speculative and are subject to market risks. The net asset value of the Shares issued under the

scheme may go up or down depending upon the forces affecting the securities markets, including general economic and business conditions. Unexpected volatility or liquidity in the markets in which the Fund directly or indirectly holds positions could impair the Fund's ability to carry out its business and could cause it to incur losses. Therefore, there can be no guarantee against loss resulting from an investment in the Fund and there can be no assurance that the Fund's investment strategies will be successful or that its investment objectives will be attained. The Fund is designed for investors seeking international diversification and capital appreciation. Furthermore, the Fund is subject to risks relating to the creditworthiness of its prime broker and custodian, interest rate movements, currency exchange movements, illiquidity and creditworthiness of the traded securities, sovereign risks associated with investing in overseas markets and diverse risks related to the trading of market instruments such as stocks and derivatives.

**Reliance on Key Personnel** All decisions with respect to the investment of the Fund's capital will be made by the Investment Manager, which relies on the services of the Directors, key staff and advisers appointed by the Investment Manager. Shareholders will have no right or power to take part in the management of the Fund. As a result, the success of the Fund for the foreseeable future will depend largely upon the Investment Manager and, should he die or become otherwise incapacitated for any period of time, and should the replacement (if any) not equal his performance, the profitability of the Fund's investments may suffer. In addition, should the Investment Manager terminate his relationship with the Fund, the profitability of the Fund's investments may suffer. There can be no assurance that the Investment Manager will be successful.

**Performance Fee** The Investment Manager's Performance Fee may create an incentive for the Investment Manager to make investments that are riskier or more speculative than would be the case in the absence of a Performance Fee.

**Strategy Risks** The success of the Fund's investment activities will depend on the Investment Manager's ability to exploit historical market anomalies as detailed under the section, "Investment Objectives, Strategies and Philosophy". Identification and exploitation of such opportunities involves uncertainty. Although many of these anomalies have been in place for many decades, no assurance can be given that they will continue indefinitely or that the Investment Manager's techniques to capture profits from such will continue. Depending upon the investment strategies employed and market conditions, the Fund may be affected adversely by a range of unforeseen events that may or may not have historical precedent.

**Leverage** The Fund is allowed to use leverage in making its investments, particularly in its use of options. The more the Fund leverages itself, the greater the change to the value of the Fund's Shares. In theory, the use of leverage entails the possibility that losses could exceed capital reserves. In practice, the risk posed to the Fund by leverage depends greatly upon the skill of the Investment Manager to create effective hedges, to maintain sufficient cash reserves, to offset correlations between asset classes and to liquidate positions during times of market illiquidity or stress. There is therefore a risk that leverage can exacerbate losses especially during market corrections.

**Hedging Risks** The Fund will employ hedging techniques in an effort to limit losses during stock market corrections. There can be no guarantee that such hedges will be successful. In certain conditions, the Fund's hedges may be insufficient or ineffective against market fluctuations. In

addition, due to the significant costs associated with purchasing hedging instruments, there is a risk of underperformance during volatile market conditions when an expected correction does not materialize.

**Investment in Illiquid Securities** The Fund invests in listed securities that may be, or may become, illiquid. The Fund deliberately seeks out investments in such illiquid assets as they frequently are a source of higher returns. However, such illiquidity also entails risk that an investment cannot readily be sold to prevent further losses or to realize profits. Similarly, each securities exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension would render it impossible for the Fund to liquidate positions and, accordingly, could expose the Fund to losses.

**Trading in Options** In seeking to enhance performance or to hedge its portfolio, the Fund may purchase and sell call and put options on both securities and stock indexes. Both the purchasing and the selling of call and put options entail risks. Option contracts are leveraged instruments and, as with all forms of leverage, poor decision making with respect to the use of leverage can lead to greater fluctuations in profits and losses including the prospect of entire loss of investment capital (see section on "Leverage" above).

**Redemption of Shares in the Fund and Transferability** Transfers of Shares in the Fund are restricted. There is no secondary public market for the Shares and, accordingly, Shares may be disposed of only through the redemption procedures described elsewhere in this Memorandum.

Under conditions of severe market turmoil, the Directors reserve the right to suspend or delay redemptions until markets stabilize. This right would only be exercised if, in the Directors' opinion, redemptions of significant size or volume would pose a risk to the Fund, its financial health and to the profitability of other Shareholders by forcing the Fund to liquidate its assets well below fair value.

A Shareholder must give prior written notice to the Administrator to make a partial or total redemption of its Shares. During such notice period, the Shareholder's investment remains at risk and may decrease in value from the date that notice of redemption is made to the Administrator until the effective date of redemption.

**Compliance** The Fund must comply with various legal requirements, including requirements imposed by the securities laws, tax laws and pension laws in various jurisdictions. Should any of those laws change over the scheduled term of the Fund, the legal requirements to which the Fund and the Shareholders may be subject could differ materially from current requirements.

**Institutional Risk and Custodial Risks** The institutions, including brokerage firms and banks, with which the Fund (directly or indirectly) does business, or to which securities have been entrusted for custodial purposes, may encounter financial difficulties that impair the operational capabilities or the capital position of the Fund. Brokers may trade with an exchange as a principal on behalf of the Fund, in a "debtor-creditor" relationship, unlike other clearing broker relationships where the broker is merely a facilitator of the transaction. Such broker could, therefore, have title to all of the assets of the Fund (for example, the transactions which the broker has entered into on

behalf of the Fund as principal as well as the margin payments which the Fund provides). In the event of such broker's insolvency, the transactions which the broker has entered into as principal could default and the Fund's assets could become part of the insolvent broker's estate, to the detriment of the Fund. In this regard, Fund assets may be held in "street name" such that a default by the broker may cause the Fund's rights to be limited to that of an unsecured creditor.

**Forced Liquidation** Substantial redemptions by Shareholders within a short period of time could require the Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Fund's capital. The resulting reduction in the Fund's capital could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base. Additionally, such substantial redemptions may increase the share of the Fund's fees and expenses payable by the remaining Shareholders.

**Litigation and Claims** The Fund and the Investment Manager, as independent legal entities, may be subject to lawsuits or proceedings by government entities or private parties. Except in the event of a lawsuit or proceeding arising from a Director's or the Investment Manager's gross negligence, wilful default, or fraud in the performance of its duties, expenses or liabilities of the Fund arising from any suit shall be borne by the Fund.

**Conflicts of Interest** The Fund and the Investment Manager are subject to various conflicts of interest as set forth in the section of this Memorandum entitled "Potential Conflicts of Interest".

**Need for Independent Advice** The Investment Manager has consulted with counsel, accountants and other experts regarding the formation of the Fund. Each prospective investor should consult his own legal, tax and financial advisers regarding the desirability of an investment in the Fund.

**Registration** The Fund is not registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "Company Act"), or any similar state laws. Nor is it registered in Australia as a Managed Investment Scheme and regulated under the Corporations Act 2001. Investors, therefore, will not be accorded the protective measures provided by such legislation.

**Allocation of Liabilities Among classes of Participating Shares - Cross Collateralization**

Although the Fund will maintain separate accounts or book entries with respect to each class of Participating Shares, separate classes of Participating Shares are not separate legal entities but rather classes of Participating Shares in the Fund. The Fund as a whole, including all such separate classes of Participating Shares, is one legal entity. Thus, all of the assets of the Fund are available to meet all of the liabilities of the Fund, regardless of the classes of Participating Shares to which such assets or liabilities are attributable. In practice, cross portfolio liability will usually only arise where any separate class of Participating Shares becomes insolvent and is unable to meet all of its liabilities. In this case, all of the assets of the Fund attributable to other separate classes of Participating Shares may be applied to cover the liabilities of the insolvent classes of Participating Shares.



If losses or liabilities are sustained by a class of Shares in excess of the assets attributable to such class, such excess may be apportioned to the other class of Shares. THE ASSETS ATTRIBUTABLE TO ANY ONE CLASS OF PARTICIPATING SHARES WILL NOT BE ISOLATED FROM THE LIABILITIES ATTRIBUTABLE TO OTHER CLASSES OF PARTICIPATING SHARES TO THE EXTENT THAT THE ASSETS OF ONE PARTICULAR CLASS OF PARTICIPATING SHARES ARE INSUFFICIENT TO SATISFY THE LIABILITIES ATTRIBUTABLE TO SUCH CLASS OF PARTICIPATING SHARES THEN THE ASSETS OF OTHER CLASSES OF PARTICIPATING SHARES MAY BE CHARGED WITH SUCH LIABILITIES.

**Shareholder Loss** No Shareholder will be liable for losses or debts of the Fund beyond that Shareholder's investment nor may any Shareholder be assessed or otherwise required to invest more than its initial investment.

### **Potential Conflicts of Interest**

The Administrator and Custodian and their respective affiliates, which shall be deemed to include, in each case, their respective officers, directors, employees and entities owned by any of the aforementioned parties (the "Related Parties") may face certain conflicts of interests in relation to the Fund. All conflicts of interest must be disclosed and any transactions relating thereto must be on an arm's length commercially reasonable basis and disclosed within a month of which the transaction occurs. These conflicts include, but are not limited to, the following:

Some or all of the Related Parties may be involved with other entities utilizing investment strategies similar to those of the Fund and with other business in general. The Investment Manager may cause the Fund to invest in securities in which some or all of the Related Parties have a financial interest, or to engage in transactions with brokers or others with whom some or all of the Related Parties have financial or other relationships.

The Related Parties may engage for their own accounts, or for the accounts of others, in other business ventures of any nature, and the Fund has no right to participate in or benefit from the other management activities described above and the Related Parties shall not be obliged to account to the Fund for any profits or benefits made or derived there from, nor shall they have any obligation to disclose or refer to the Fund any of the investment or service opportunities obtained through such activities. Related Parties may own Shares in the Fund, deal as principals with the Fund in the sale or purchase of investments of the Fund or act as brokers, whether to the Fund or to third parties, in the purchase or sale of the Fund's investments and shall be entitled to retain any profits or customary commissions resulting from such dealings.

**Restrictions on the Investment Manager/Directors** The Investment Manager and Directors may engage in other business activities and investments, and the Fund has no right to participate in or benefit from such. However, the Investment Manager and the Directors may not make an investment on behalf of the Fund in any business, asset or security in which they have a direct or indirect interest.

The Investment Manager and Directors may not engage or manage the accounts of clients separate from the Fund including those of other collective investment vehicles. In addition, the Investment Manager and Directors are restricted from trading for their own accounts and independently from the Fund in any securities which are listed on any exchanges in which the Fund also invests.

## **Taxation**

This summary of the principal tax consequences applicable to the Fund and its Shareholders is based upon advice received from the Fund's Anguilla legal and tax advisers. Such advice is based upon factual representations made by the Investment Manager and Administrator concerning the proposed conduct of the activities to be carried out by them on behalf of the Fund. The conclusions summarized herein could be adversely affected if any of the material factual representations on which they are based should prove to be inaccurate. Moreover, while this summary is considered to be a correct interpretation of existing laws in force on the date of this Memorandum, no assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with such interpretations or that changes in such laws will not occur.

**Other Jurisdictions** Capital gains and other revenues received by the Fund may be subject to withholding or similar taxes imposed on foreign corporations by the country in which such gains or other revenues originate. In jurisdictions other than the United States, non-U.S. taxes may be withheld at source on dividend and other income derived by the Fund at rates generally ranging up to thirty percent (30%). Capital gains derived by the Fund in such jurisdictions may often be exempt from non-U.S. income or withholding taxes at source, although the treatment of capital gains varies among jurisdictions.

**Changes in Law** All laws, including laws relating to taxation in Anguilla, Australia and the U.S. (and in other jurisdictions as well), are subject to change without notice.

The foregoing summary does not address tax considerations that may be applicable to certain Shareholders under the laws of jurisdictions other than Anguilla and the U.S. The Fund has no present plans to apply for any certifications or registrations, or to take any other actions under the laws of any jurisdictions that would afford the relief to local investors therein from the normal tax regime otherwise applicable to an investment in the Shares. It is the responsibility of all persons interested in purchasing the Shares to inform themselves as to any income or other tax consequences arising in the jurisdictions in which they are resident or domiciled for tax purposes, as well as any foreign exchange or other fiscal or legal restrictions relevant to their particular circumstances in connection with the acquisition, holding, or disposition of the Shares. The value of the Fund's investments may also be affected by repatriation and exchange control regulations.

## **Additional Information**

The Fund has entered into the following contracts (not being contracts in the ordinary course of business), which may be material:

- (a) the Investment Management Agreement between the Fund and the Investment Manager pursuant to which the Investment Manager was appointed Investment Manager of the Fund.
- (b) the Administration Agreement between the Investment Manager and the Administrator pursuant to which the Administrator was appointed the Administrator of the Fund.

## **Available Documents**

This Memorandum is not intended to provide a complete description of the Fund's Articles of Incorporation and By-Laws or the agreements with the Investment Manager, Administrator and various brokers summarized herein. Copies of the following documents are available for inspection by Shareholders and prospective investors during normal business hours at the Administrator's office:

- (a) The Mutual Funds Act, R.S.A. c.M107 and the Mutual Funds Regulations, R.R.A. M107-1 and the International Business Companies Act, R.S.A. c. I20;
- (b) The Articles of Incorporation and By-Laws of the Fund and;
- (c) The material contracts referred to above.

## **Counsel**

The law firm of CARLYLEROGERS serves as counsel to the Fund in connection with matters pertaining to Anguilla law. Should a future dispute arise between the Fund and Investment Manager, separate counsel may be retained as circumstances and professional responsibilities then dictate. Counsel to the Fund does not represent the Shareholders. Shareholders should seek their own independent legal advice. See "POTENTIAL CONFLICTS OF INTEREST".

## **Enquiries and Communication with the Fund**

All communications and correspondence with the Fund and enquiries concerning the Fund and the Shares, including information concerning subscription and redemption procedures and current Net Asset Value, should be directed to the Administrator at the address set forth in the "DIRECTORY" appearing elsewhere in this Memorandum.

## **Exchange Control**

The Fund, by virtue of being a non-resident of Anguilla for exchange control purposes is free to acquire, hold and sell any foreign currency and security without restriction.

## Subscription Documents

**Ten Talents Capital Ltd**  
**SUBSCRIPTION AGREEMENT**  
**For participating shares of Ten Talents Capital Limited**  
**C/- Ten Talents Management Limited**  
**PO Box 1234**  
**MOUNT BARKER SA 5251**  
**AUSTRALIA**

### REGISTRATION REQUIREMENTS:

Specify the type of legal ownership by ticking the appropriate box and complete the name(s) and address(es) of the Applicant(s) :

- |                          |                   |                         |       |
|--------------------------|-------------------|-------------------------|-------|
| <input type="checkbox"/> | Single            | Name of Subscriber(s):  | _____ |
| <input type="checkbox"/> | Tenants in Common |                         | _____ |
| <input type="checkbox"/> | Joint Tenants     | Registered Address(es): | _____ |
| <input type="checkbox"/> | Corporation       |                         | _____ |

I/We hereby apply to invest the sum(s) stated below in the following Classes of Participating Shares of Ten Talents Capital Limited (the "Fund") on the terms and conditions set out in the Offering Memorandum dated 1 January 2017 and subject to its Memorandum and any Articles of Association:

AUD \$ \_\_\_\_\_

I/We declare that the Participating Shares are not being acquired directly or indirectly in violation of any application law, nor by or on behalf of a US person, and that I am /we are Eligible Investor(s) as defined in the Offering Memorandum.

I/We hereby declare that I/we have carefully and fully read the Offering Memorandum and that I/we fully understand its contents and the risks described therein and have consulted my/our own attorney, accountant or investment adviser with respect to the investment contemplated hereby and its suitability to my/own personal circumstances. I/We acknowledge that the minimum investment in the Shares of the Company is AUD\$5,000. I/We acknowledge that no guarantees have been made to the Subscriber about future performance or financial results of the Fund.

I/We agree that neither this Subscription Agreement nor any term hereof may be changed, waived, discharged or terminated except with the written consent of the Fund's Directors. I/We acknowledge that the subscription for the Shares contained herein may be reduced or rejected by the Directors in consultation with the Investment Manager.

## Appendix A

I/We agree

- a. that as an individual subscriber I/we will produce the relevant identification documents as detailed in Appendix B; or
- b. that as a Corporation, we will produce the relevant identification and incorporation documents as detailed in Appendix B; or
- c. as a trust or partnership we agree to produce the relevant certified copies of such documentation as detailed in Appendix B

as requested by the Fund or the Administrator so they might comply with legislation for the prevention of money laundering from time to time in force.

I/We acknowledge that the Fund reserves the right to request any further information which it considers to be in any way necessary to the process of verification.

I/We acknowledge that no redemption payment may be made unless the original subscription agreement has been received by the Administrator and all of the necessary anti-money laundering checks have been completed.

I/We hereby declare, represent and warrant that:

- (a) the Participating Shares are to be purchased with funds that are from legitimate sources in connection with our regular business activities and which do not constitute the proceeds of criminal conduct;
- (b) the amounts being or to be contributed by me/us to the Fund were not and are not directly or indirectly derived from activities that may contravene federal, state or international laws and regulations, including anti-money laundering laws and regulations presently in force in Anguilla and the jurisdiction where I/we reside;
- (c) I/we understand and agree that the Fund prohibits the investment of funds by any persons or entities that are or are acting, directly or indirectly:
  - (i) on behalf of terrorists or terrorist organisations, including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the US Treasury Department's Office of Foreign Assets Control ("OFAC"), as such list may be amended from time to time, or any Executive Order administered by OFAC;
  - (ii) for a Senior Foreign Political Figure, any member of a Senior Foreign Political Figure's immediate family or any close associate of a Senior Foreign Political Figure, unless the Company or its delegates, after being specifically notified by us in writing that we are such persons, conducts further due diligence, and determines that such investment shall be permitted; or
  - (iii) for a Foreign Shell Bank.

Such persons or entities in (a) through (c) are collectively referred to as "Prohibited Persons";

(d) I am/we are not, nor is any person or entity controlling, controlled by or under common control with me/us, a Prohibited Person, and

(e) to the extent I am/we are acting as agent or nominee in connection with this investment, I/we shall disclose the identity of the person on whose behalf we are acting and state my/our relationship with him/her to the Directors of the Fund once requested in writing to do so.

## Appendix A

If any of the foregoing representations and warranties ceases to be true or if the Fund no longer reasonably believes that it has satisfactory evidence as to their truth, notwithstanding any other agreement to the contrary, the Fund may be obligated to freeze my/our investment, either by prohibiting additional investments, declining or suspending any withdrawal requests and/or segregating the assets constituting the investment in accordance with applicable regulations, or our investment may immediately be involuntarily withdrawn by the Fund, and the Fund may also be required to report such action and to disclose my/our identity to OFAC or other authority. In the event that the Company is required to take any of the foregoing actions, I/we understand and agree that I/we shall have no claim against the Fund or any of its delegates and each of their respective affiliates, directors, members, partners, shareholders, officers, employees and agents for any form of damages as a result of any of the aforementioned actions.

I/we acknowledge that due to anti-money laundering requirements operating in Anguilla, the Fund could be requested or required to obtain certain assurances from us, disclose information pertaining to us to governmental, regulatory or other authorities or engage in due diligence or take other related actions in the future.

I/We understand, acknowledge, represent and agree that it is the Fund's policy to comply with Requirements to which it is or may become subject and to interpret them broadly in favour of disclosure. I/We hereby agree, and by reason of owning any Participating Shares will be deemed to have agreed, that I/we will provide additional information or take such other actions as may be necessary or advisable for the Fund (in the Fund's sole judgment) to comply with any Requirements, related legal process or appropriate requests (whether formal or informal) or otherwise. I/We hereby consent, and by reason of owning any Participating Shares will be deemed to have consented, to disclosure by the Fund and its agents to relevant third parties of information pertaining to us in respect of Requirements or information requests related thereto. I/We also represent that we shall at all times comply with any Requirements.

I/We agree that by executing this document I/we authorize the Administrator to provide the Investment Manager and the Fund's legal counsel, with information regarding my/our account, until said authorization is revoked by the me/us in writing to the Administrator.

I/we agree to indemnify and hold harmless the Fund, its delegates and each of their respective officers, directors, shareholders, partners, employees and agents (each an "Indemnitee"), against any loss, liability, cost or expense (including attorneys' fees, taxes and penalties) which may result, directly or indirectly, from any misrepresentation or breach of any condition, covenant or agreement set forth herein or in any other document delivered by me/us to the Fund. The rights, obligations and relationships of the parties under the Articles and the Offering Memorandum shall be governed by and construed in accordance with the laws of Anguilla.

I/we acknowledge that due to anti-money laundering requirements operating in Anguilla, the Fund may require further identification from the me/us before the application can be processed and the Fund and the Administrator shall be held harmless and indemnified against any loss arising due to the failure to process this application if such information has not been provided by the me/us. I/We hereby confirm that the Fund and the Administrator are each authorized and instructed to accept

## Appendix A

and execute any instruction in respect to the Shares to which this application relates given by me/us by email. If instructions are given by me/us by email, I/we undertake to forward the original immediately by regular mail to the Directors' postal address. I/We hereby indemnify the Fund and the Administrator and agree to keep each of them indemnified against any loss of any nature whatsoever arising to each of them as a result of either of them acting on email instructions. The Fund and the Administrator may rely conclusively upon, and shall incur no liability in respect of, any action taken upon any notice, consent, request, instructions, or other instrument believed, in good faith, to be genuine or to be signed by properly authorized persons. I/We acknowledge and consent that any action, proceeding or claim that I/we may bring against the Fund, the Directors, the Administrator, the Investment Manager, and/or its affiliates, shall be limited to the Shares, as the case may be, in which I/we hereby invest.

Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Name: \_\_\_\_\_ Signature: \_\_\_\_\_

### PAYMENT INSTRUCTIONS:

Payment in full for the amount subscribed for the Participating Shares of the Company (not less than AUD\$5,000 in respect of Ten Talents Capital Limited is to be made in Australian Dollars by bank transfer to the Fund's bank account as follows:

	<b>Ten Talents Capital Limited</b>
Bank	Lutheran Laypeople's League
BSB	704-942
Account Name	Ten Talents Capital
Account Number	132949
Reference	Name of Investor

### FOR INTERNATIONAL SUBSCRIBERS:

Currency	AUD
Account Number at the Bank	070351
Bank's Name	Westpac Banking Corporation
Account Name	Ten Talents Capital
Reference	Name of Investor
Bank's ABA Number or SWIFT Code	WPACAU2S
Bank's Code Specific to Country	735038

Appendix A

OTHER PARTICULARS:

Mailing Address for Share Registration (if different from above):

.....  
.....  
.....

Telephone: ..... Fax: .....

Email Address: .....

Date of Subscription: .....

Name and Address of Remitting Bank: .....

.....  
.....

**Authorized Signatories**

Set forth below are the names of persons authorized by the Subscriber to give and receive instructions between the Fund (or its Administrator) and the Subscriber, together with their respective signatures. Such persons are the only persons so authorized until further written notice to the Administrator signed by one or more of such persons.

(Please attach additional pages if needed)

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Please indicate below how you would like to receive your quarterly statements:

Normal mail

Email

I do not wish to receive a quarterly statement

**Important**

- 1) Please have your bank identify on the transfer the name of the intended subscriber.
- 2) We recommend that your bank charge its wiring fees (if any) separately so that an even amount may be invested.

In order to facilitate prompt and accurate crediting of subscription payments, you must notify the Directors by email, prior to remitting payment, of the details of the subscription payment, indicating

- (i) the name of the Subscriber,
- (ii) the amount to be invested,
- (iii) the approximate date on which the payment was transferred to the Fund's account.





## Investor Identification Documentation Requirements

You must attach the following CERTIFIED documents to this Application Form. Refer below to find out who can certify identification documentation.

<b>INDIVIDUAL [INCLUDING INDIVIDUAL TRUSTEE]</b>
<b>Section 1 – A CERTIFIED COPY OF ONE IDENTIFICATION AND ONE PROOF OF ADDRESS DOCUMENT FROM THE FOLLOWING:</b>
<ul style="list-style-type: none"><li>• an Australian driver’s licence containing a photograph and current address of the person; or</li><li>• an identification card issued by a state or territory that contains the date of birth and a photograph and current address of the card holder; or</li><li>• a foreign government issued identification card containing a photograph, address and signature of the person; <b>and</b></li><li>• an Australian passport; or</li><li>• a foreign government issued passport or similar travel document containing a photograph and signature of the person</li><li>• Note: Where a foreign document is not in English, it must be accompanied by an English translation prepared by an accredited translator.</li></ul>
<b>IF YOU CANNOT PROVIDE THE DOCUMENTS LISTED ABOVE, PLEASE PROVIDE A DOCUMENT FROM SECTION 2(a) AND SECTION 2(b) BELOW</b>
<b>Section 2(a) – A CERTIFIED COPY OF ONE OF THE FOLLOWING:</b>
<ul style="list-style-type: none"><li>• an Australian birth certificate; or</li><li>• an Australian citizenship certificate; or</li><li>• a pension card issued by Centrelink; or</li><li>• a foreign drivers licence that contains a photograph of the person; or</li><li>• a citizenship certificate issued by a foreign government; or</li><li>• a birth certificate issued by a foreign government. Where the document is not in English, it must be accompanied by an English translation prepared by an accredited translator.</li><li>• Note: Where a foreign document is not in English, it must be accompanied by an English translation prepared by an accredited translator.</li></ul>
<b>Section 2(b) – AND ALSO PROVIDE A CERTIFIED COPY OF ONE OF THE FOLLOWING:</b>
<ul style="list-style-type: none"><li>• a notice issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits and contains the individual’s name and residential address, or</li><li>• a notice issued by the Australian Taxation Office within the preceding 12 months that records a debt payable to or by the person by or to the Commonwealth, or</li><li>• a notice issued by local government body or utilities provider within the preceding 3 months that records the provision of services to that address or to that person (the notice must contain the individual’s name and residential address).</li></ul>
<b>INDIVIDUAL ACTING IN THE CAPACITY OF A SOLE TRADER</b>
<ul style="list-style-type: none"><li>• a certified copy of a business name search, and</li><li>• verification documents required for an individual (as listed above)</li></ul>

**COMPANY (INCLUDING CORPORATE TRUSTEE)**

Australian Companies:

If a private (propriety) company:

- An ASIC Company Extract showing the company name, ACN, registered office address, the names and addresses of the directors and shareholders; or
- A certified copy of the company's certificate of registration or incorporation issued by ASIC PLUS a document setting out the full name and residential address of each director and the full name and residential address of each shareholder who owns, through one or more shareholdings, more than 25% of the company's issued capital.

If a public company:

- An ASIC Company Extract showing the company name, ACN, registered office address, the names and addresses of the directors; or
- A certified copy of the company's certificate of registration or incorporation issued by ASIC.

Foreign Companies:

If a private (propriety) company:

- Where the company is a registered foreign company in Australia, a Company Extract sourced from ASIC showing the company name, whether the company is registered by the relevant foreign registration body and if so whether it is public or private, and the ARBN issued to the company; or
- Where the company is a foreign company not registered in Australia, a Company Extract sourced from the relevant foreign registration body showing the company name, identification number issued by the relevant foreign registration body, registered office address, the names and addresses of the directors and shareholders; or
- A certified copy of the company's certificate of registration or incorporation issued by the relevant foreign registration body PLUS a document setting out the full name and residential address of each director and the full name and residential address of each shareholder who owns, through one or more shareholdings, more than 25% of the company's issued capital.

If a public company:

- Where the company is a registered foreign company in Australia, a Company Extract sourced from ASIC showing the company name, whether the company is registered by the relevant foreign registration body and if so whether it is public or private, and the ARBN issued to the company; or
- Where the company is a foreign company not registered in Australia, a Company Extract sourced from the relevant foreign registration body showing the company name, identification number issued by the relevant foreign registration body, registered office address, the names and addresses of the directors; or
- A certified copy of the company's certificate of registration or incorporation issued by the relevant foreign registration body.

## Appendix B

### TRUST

For all trusts (including self-managed super funds/ wrap trusts/ master trusts/ IDPS) please provide:

- a certified copy of the trust deed or equivalent document, or
- a certified extract from the Trust Deed or equivalent document that shows the name of the trust, the name(s) of the Trustee(s), the place of establishment of the trust and identity of the beneficiaries.

Please ALSO provide the following trustee information:

- if the trustee is an individual, please also provide documentation required for at least one of the individuals (as listed above) or
- if the trustee is a company, please also provide documentation required for at least one of the companies (as listed above).

### PARTNERSHIP

- a certified copy of the current partnership agreement, or
- a certified copy of a notice (such as a Notice of Assessment) issued by the Australian Taxation Office within the last 12 months.

Please ALSO provide:

- the verification documents required for individuals (as listed above) for at least one of the partners

### WHO CAN VERIFY YOUR DOCUMENTS

- Judge;
- Lawyer;
- Notary Public;
- Magistrate;
- Justice of the Peace;
- Police Officer;
- A Registrar or Deputy Registrar of a court;

- Finance company officer\*
- Full-time employee of a bank\*
- Full-time employee of a post office\*
- Authorised representative of a holder of an Australian financial services licence\*
- Australian Consular Officer or Diplomatic Officer

\* having two or more years of continuous service in that capacity


Appendix B


The eligible certifier must include the following information:

- Their full name; address; telephone number; date of certifying; capacity in which they are eligible to certify; and an official stamp/seal if applicable.

The certified copy must include the statement, "I certify this is a true copy of the original document". For photographic documents, the certified copy must include the statement, "I certify this is a true copy of the original document and the photograph is a true likeness".

We, the directors, hereby approve the contents of this Memorandum inclusive of all appendices, covering the entire 37 pages, with immediate effect, this 1<sup>st</sup> day of January 2017.

Signed:   
David Lockwood

Signed:   
Justine Lockwood