



BT Private Wealth

SIV Flexible Investment Account
for Significant Investor Visa candidates
Information Memorandum

1 Important information

This document (Information Memorandum) relates to the SIV Flexible Investment Account (the SIV Flexible Investment Account) and is issued by BT Private Nominees Pty Limited ABN 93 000 626 264, AFSL number 233727 (we, us or BTPN).

You should carefully read this Information Memorandum and talk to your Professional Advisers before making a decision to become a client of the SIV Flexible Investment Account (Client) and before making any investments through the SIV Flexible Investment Account.

No cooling off rights apply to an investment in or by way of the SIV Flexible Investment Account.

This Information Memorandum is intended for use only by persons (Wholesale Clients) who are both:

- ▶ 'wholesale clients', as defined under section 761G(4) of the Corporations Act; and
- ▶ persons to whom disclosure need not be made under section 708 of the Corporations Act.

If you are not a Wholesale Client, you should immediately return this Information Memorandum to BTPN.

This Information Memorandum does not constitute an offer or invitation in any jurisdiction other than Australia.

This Information Memorandum is not a product disclosure statement or prospectus and has not been lodged with the Australian Securities and Investments Commission (ASIC). The SIV Flexible Investment Account is not, and is not required to be, registered as a managed investment scheme under the Corporations Act.

A US Person may not become a Client of the SIV Flexible Investment Account. If at any time you become a US Person, you undertake to notify BTPN as soon as practicable. Persons within the United States and its possessions are also unable to become Clients of the SIV Flexible Investment Account.

Nothing in this Information Memorandum should be construed as constituting financial product advice. It does not take into account your individual objectives, financial situation or needs. Because of this you should, before acting on any of the information in this Information Memorandum, consider its appropriateness, having regard to your individual objectives, financial situation or needs.

None of BTPN, Westpac Banking Corporation ABN 33 007 457 141 (Westpac), or any of their related bodies corporate, directors, employees, contractors, authorised representatives nor any other person guarantees the performance of the SIV Flexible Investment Account or any investments made through the SIV Flexible Investment Account or the repayment of capital or any particular rate of return of the SIV Flexible Investment Account or its underlying investments.

Investments made through the SIV Flexible Investment Account are not deposits with, or other liabilities of, Westpac or of any member or division of the Westpac Group and are subject to investment risk, including possible delays in repayment and loss of income or principal invested.

BTPN is a separate entity from Westpac and is not an authorised deposit-taking institution under the Banking Act 1959 (Australia).

Clients have no contractual relationship with the Administrator that has been appointed by BTPN to provide administration services to BTPN in connection with the SIV Flexible Investment Account.

References to '\$' in this Information Memorandum are to Australian dollars unless the context otherwise requires.

This Information Memorandum was issued on 18 December 2015.

2 The SIV Flexible Investment Account at a glance

Topic	Summary	More Information
SIV Flexible Investment Account	<p>The SIV Flexible Investment Account is a service that provides Clients with access to investment opportunities in Australia, custodial services and portfolio reporting.</p> <p>Clients can access a range of managed funds which invest in a variety of investment categories through the SIV Flexible Investment Account.</p> <p>Clients retain full beneficial rights to their individual investments.</p> <p>The SIV Flexible Investment Account is offered and operated by BTPN.</p> <p>The SIV Flexible Investment Account is designed for investors who are applying for a Significant Investor Visa.</p>	
Significant Investor Visa	<p>This Information Memorandum is for use only by persons who are both:</p> <ul style="list-style-type: none"> ▶ 'wholesale clients', as defined under section 761G(4) of the Corporations Act; and ▶ persons to whom disclosure need not be made under section 708 of the Corporations Act. 	See section 3.1
Investment Options	<p>The Significant Investor Visa is one stream of the Business Innovation and Investment Program run by the Department of Immigration and Border Protection (DIBP) which provides an opportunity for overseas investors to obtain temporary residency (under the sub-class 188 visa) and later permanent residency (under the sub-class 888 visa) by investing in Australia, subject to certain conditions (Significant Investor Visa).</p> <p>It is a condition of the Significant Investor Visa that the visa holder invests, and maintains their investment, in certain 'complying significant investments'.</p> <p>The objective of the SIV Flexible Investment Account is to offer Investment Options that are 'complying significant investments' for the purposes of the Significant Investor Visa (being 'managed investment funds' investing in 'emerging companies investments' and 'balancing investments' but not 'venture capital fund investments').</p> <p>It is the responsibility of each Client to ensure that their complying significant investments are maintained. Neither BTPN nor the Relationship Manager are under any duty to advise a Client in relation to complying with their visa conditions or any Significant Investor Visa matter. You should seek migration advice from a registered migration agent or a solicitor in relation to your Significant Investor Visa application and compliance with Significant Investor Visa rules or visa conditions.</p>	See section 3
Minimum Investment Amount	<p>Your initial investment in the SIV Flexible Investment Account must be at least \$500,000. You must maintain a minimum investment balance, of at least \$500,000, following any sale or redemption of all or part of an investment held through the SIV Flexible Investment Account.</p>	See section 3.2
Investment Options	<p>A selection of managed funds that meet the criteria for a complying significant investment will be made available to you via the SIV Flexible Investment Account.</p> <p>There is no guarantee that any Investment Option will continue to meet the criteria for 'complying significant investments' and it is your responsibility to ensure that your obligations and the conditions of your Significant Investor Visa are satisfied at all times.</p> <p>The types of investment solutions that may be made available to you may change over time in line with any changes made by the Australian Government to the requirements for Significant Investor Visa 'complying significant investments'.</p> <p>Investments available through the SIV Flexible Investment Account are referred to as Investment Options in this Information Memorandum.</p>	See section 4
Investment Option Information	<p>When an Investment Option is made available, information in relation to that Investment Option will generally be provided in an Opportunity Document together with any related Offer Documents for that Investment Option (which may be provided by way of email and as an attachment to an email).</p>	See section 4.1(b)

Investing alongside institutional and professional investors	<p>Many of the Investment Options made available through the SIV Flexible Investment Account are those that attract institutional and professional investors. Generally, these types of wholesale investments are differentiated by any of the following characteristics:</p> <ul style="list-style-type: none"> ▶ Require a substantial minimum investment amount; ▶ Can have a higher risk profile due to their specialised nature; or ▶ Can be illiquid and have restricted (or no) redemptions. 	See section 3
Investment timeframe	Investment Options vary in investment timeline. Some investments are short term in nature and others have a longer term investment horizon.	See section 4.1(d)
Investment liquidity	Investment Options made available through the SIV Flexible Investment Account vary in liquidity. Clients should be aware that some Investment Options may be illiquid in that there may be restrictions or significant time delays involved in withdrawing from or redeeming a particular Investment Option.	See section 4.1(d)
SIV Flexible Investment Account Clients	An investment through the SIV Flexible Investment Account may suit persons seeking exposure to a range of potential investment opportunities to both grow and protect wealth. Investment Options include liquid, lower risk investments and also much higher risk, illiquid, higher potential return investments.	See section 10
Legal structure of account	Client funds may be aggregated and used to acquire Investment Options in the name of BTPN or the Sub-custodian. All assets are held on a bare trust basis with the Client retaining the full beneficial ownership.	See section 9.11
Operator of the SIV Flexible Investment Account	<p>BTPN is the operator of the SIV Flexible Investment Account.</p> <p>BTPN is also the primary custodian of all investments held through the SIV Flexible Investment Account. However, actual custody of investments is generally outsourced by BTPN to the Sub-custodian.</p> <p>BTPN has also outsourced a range of administration functions for the SIV Flexible Investment Account to the Administrator.</p>	See sections 9.9 and 9.10
Sub-custodian	JPMorgan Chase Bank, N.A., Sydney Branch ABN 43 074 112 011.	See section 9.9
Administrator	Linear Administration Services Pty Limited ACN 163 681 678.	See section 9.10
Minimum investment amounts	<p>The minimum amount that a Client must invest for an Investment Option will be determined by BTPN in its absolute discretion and notified to Clients. BTPN may also specify a minimum holding amount for each Investment Option.</p> <p>Applicable minimum amounts will generally be set out in the Investment Option Information. The minimum investment amount for many investments is \$100,000 (the minimum investment amount may vary depending on the particular investment).</p>	See sections 3.2 and 5.5
Withdrawals	<p>Clients should be aware that some Investment Options may be illiquid in that there may be restrictions or significant time delays involved in withdrawing from or redeeming a particular Investment Option. For this reason, Clients may only redeem or withdraw subject to any relevant restrictions or conditions imposed by the relevant Investment Option.</p> <p>Clients should be aware that it is their responsibility to make sure that they are complying with their Significant Investor Visa rules and visa conditions and that their complying significant investment is maintained if they withdraw from or redeem an Investment Option.</p>	See section 4.1(f)
Minimum withdrawal	Please refer to the Investment Option Information for information about any applicable minimum withdrawal amounts.	See sections 4.1(b) and 4.1(e)
Income distributions	Income distributions received from Investment Options will be paid into the Linked Cash Account or, if permitted under the Investment Option's terms, reinvested. Further information about distributions will be set out in the relevant Investment Option Information.	See section 9.1
Tax considerations	<p>This Information Memorandum contains information in respect of the tax consequences for Australian resident and non-resident Clients for taxation purposes.</p> <p>This information is of a general nature, and before deciding whether to become a Client or invest in an Investment Option, Clients should obtain their own professional tax advice, taking into account their particular circumstances.</p>	See section 9.12

Risks	<p>All investments involve risk. Please remember that this Information Memorandum does not take into account your individual investment objectives, financial situation or needs so you should seek professional advice about whether an investment is suitable for your circumstances. You should refer to the Investment Option Information to ensure you understand the specific risks.</p> <p>You should seek migration advice from a registered migration agent or a solicitor in relation to your Significant Investor Visa application and compliance with Significant Investor Visa rules and visa conditions. You are responsible for your compliance with your Significant Investor Visa rules and visa conditions and we accept no responsibility for such matters.</p>	See section 10
Reporting	You will receive periodic portfolio reports and e-mail updates as agreed with your Relationship Manager or otherwise agreed with us.	See section 3.8
Applying to become a Client	<p>Applications should be made by completing the Application Form. BTPN may require Clients to complete and/or sign a further document each time an Investment Option is selected.</p> <p>If you are accepted as a Client, you will generally not be given the opportunity to invest in an Investment Option until you have received notification from DIBP that your Significant Investor Visa application has been approved or approved conditional upon making your 'complying significant investments'.</p>	See section 11
Further Information	If you have any questions about becoming a Client and investing through the SIV Flexible Investment Account, please contact your Relationship Manager.	See section 9.4

3 How the SIV Flexible Investment Account operates

3.1 Who may become a Client

All investors must be Wholesale Clients. Whether a person may become a Client and invest through the SIV Flexible Investment Account will be determined by BTPN in its absolute discretion.

If at any stage a Client ceases to be a Wholesale Client, the Client will not be able to make any further investments via the SIV Flexible Investment Account until their Wholesale Client status is reinstated.

In addition to meeting the test for a Wholesale Client, BTPN may impose such other eligibility requirements as it determines in its absolute discretion.

BTPN has an absolute discretion to determine whether a person can be a Client.

The following investors may apply to be Clients if they meet the Wholesale Client test:

- ▶ The applicant for the Significant Investor Visa (Applicant) acting personally (joint applicants on behalf of two or more persons are not permitted);
- ▶ A company, if all of the company's issued shares are held by the Applicant (or held by the Applicant together with their spouse or de facto partner); or
- ▶ A lawfully established trust, if the Applicant is the sole trustee and the Applicant is the sole beneficiary of the trust.

3.2 Minimum initial investment

The minimum initial investment under the SIV Flexible Investment Account is \$500,000. See section 5.5 for details of the ongoing minimum holding requirement.

3.3 Clients applying for a Significant Investor Visa

The SIV Flexible Investment Account is designed to be suitable for Clients who are applying for a Significant Investor Visa.

Investors applying for a Significant Investor Visa need to specify which 'complying significant investments' they intend to invest in as part of their Significant Investor Visa application and where Investors invest into 'managed investment funds', they may invest through a fund of funds or an investor directed portfolio service. The SIV Flexible Investment Account is designed to be a 'fund of funds' or 'investment directed portfolio service' for the Significant Investor Visa rules.

BTPN will make Investment Options available via the SIV Flexible Investment Account that are certified by their fund managers to be 'complying significant investments' for the

purposes of the Significant Investor Visa rules. There is no guarantee that these Investment Options will continue to meet the criteria for 'complying significant investments' and it is your responsibility to ensure that your obligations, the conditions of your Significant Investor Visa and the Significant Investor Visa rules are satisfied at all times. For further information, please seek migration advice from a registered migration agent or a solicitor.

3.4 Beneficial ownership

You remain the beneficial owner of your investments, receiving all the benefits such as distributions and gains, and retaining all the liabilities such as any expenses associated with your investment. BTPN and/or the Sub-custodian maintain registration, certificates or other proof of ownership over all assets held through the SIV Flexible Investment Account. As the Client, you retain the discretion whether to invest or seek to withdraw from or redeem available Investment Options (and have responsibility for ensuring that your Significant Investor Visa rules and visa conditions are satisfied in connection with any withdrawal or redemption), subject to the terms of the relevant Investment Options and the minimum holding requirement identified in section 5.5. Either the Sub-custodian or BTPN receives all the paperwork for your selected Investment Options, but you retain beneficial ownership of those investments.

The Administrator records each Client's interest in an Investment Option in the Client Register for the SIV Flexible Investment Account.

3.5 Access to investment opportunities

The SIV Flexible Investment Account provides access to Investment Options that are 'complying significant investments' (being 'managed investment funds' investing in 'emerging companies investments' and 'balancing investments') for Significant Investor Visa purposes. Please note that the Investment Options available via the SIV Flexible Investment Account do not include 'venture capital fund investments'.

A dedicated investment team sources and evaluates investment opportunities before making them available to Clients as Investment Options.

3.6 Potential for attractive risk-adjusted investment returns

Certain wholesale Investment Options may have a higher return potential than investments that are available to the general public. Returns generated, and the risks to which you are exposed, will differ according to the type and the risk/return objectives of the Investment Option you select. Returns are not guaranteed and higher risks are usually associated with higher return objectives.

Please see the section 10 on Risks for more information.

3.7 Diversification benefits

The SIV Flexible Investment Account allows Clients to access a range of 'complying significant investment' opportunities to potentially manage investment risk by diversification across:

- ▶ Asset classes;
- ▶ Different investment managers; and
- ▶ Different industry sectors.

3.8 Investment Option reporting

Investment Options are tracked and reported on to Clients on a periodic basis. Either BTPN or the Administrator will send you the following reports:

- ▶ Your account balance and current valuation;
- ▶ Details of your transactions;
- ▶ Details of the income you have received from your SIV Flexible Investment Account investments;
- ▶ Confirmation of investment transactions including any attributable fees;
- ▶ An annual tax statement outlining the income you have been paid and the capital gains and losses information relating to your SIV Flexible Investment Account investments for the relevant year; and
- ▶ Such other reports as are determined by the BTPN from time to time.

The nature of reports and their frequency may change from time to time.

4 The investments

4.1 General information

(a) Source of investment opportunities

Investment Options are sourced from a range of asset management firms.

(b) Communicating new offers and additions

BTPN may communicate information about new Investment Options to Clients as they become available. However, BTPN is not obliged to make any particular Investment Option available to all Clients.

Generally, if an Investment Option is made available to a Client, BTPN will provide information in relation to that Investment Option in an Opportunity Document together with any related Offer Documents.

The Opportunity Document and any related Offer Documents will set out specific information about the Investment Option, including in relation to capital structure, target investments, fees, risks and any specific terms or conditions that must be considered and agreed to by the Client before being able to access the particular Investment Option.

Opportunity Documents and any attachments to such documents may be provided by way of email and as an attachment to an email.

If you do not respond to an offer of an Investment Option within the required timeframe, you will be taken to have expressed no interest in the Investment Option.

(c) Changing your personal details

If any of your personal details change, you should ensure your Relationship Manager is informed in writing. We will not be responsible to you for any missed communications (including reporting, corporate actions or any other decisions on your investments) if you fail to advise us of your up-to-date information.

(d) Liquidity profiles

Investors should be aware that some Investment Options may be illiquid and have a long term investment horizon. Many such investments do not permit withdrawals prior to maturity or have limited withdrawal opportunities.

The liquidity terms for each Investment Option may be set out in the applicable Investment Option Information, and you should consider the liquidity of the Investment Option before making your investment decision.

In the event that you need to sell all or part of an investment held by you through the SIV Flexible Investment Account, you should contact your Relationship Manager. If possible,

we will then arrange for the disposal of your interest in the investment in accordance with the liquidity terms of that investment.

(e) Minimum withdrawal amount

Subject to the minimum holding requirement noted in section 5.5, a withdrawal request must be for at least the current minimum withdrawal amount (if any) specified in the Investment Option Information or advised to you at the time of your withdrawal request. It is your responsibility to ensure that if you switch investments, you comply with your Significant Investor Visa conditions.

(f) Possible delays in effecting withdrawals

There may be restrictions or significant time delays involved in withdrawing from a particular Investment Option. For this reason, Clients may only dispose of investments subject to any relevant restrictions or conditions imposed by the underlying investments as communicated in the Investment Option Information.

Due to the terms governing an Investment Option, it may be necessary to aggregate withdrawal requests from various Clients before making a withdrawal request. This may be because, for example, of minimum holding requirements for a particular investment. These requirements may prohibit a single withdrawal if the withdrawal would cause the holding in BTPN's or the Sub-custodian's name to fall below the minimum holding requirements for that investment. Alternatively, a single withdrawal may only be possible if the entire holding is withdrawn. We reserve the right not to seek such a single withdrawal in these circumstances.

(g) Illiquid Investments

Investment-specific restrictions or prohibitions may apply to withdrawals on your investments. In all cases, withdrawals will be subject to the terms of the investment as outlined to you in the Investment Option Information.

Some investments may impose additional liquidity terms throughout the life of the investment. These will be communicated to you as soon as practically possible by BTPN or your Relationship Manager.

BTPN may facilitate a withdrawal, exit or redemption from a specific investment outside the terms outlined to you in the Investment Option Information, through a number of means including, but not limited to, any of the following:

- ▶ Transferring or selling the interest in the investment to another Client (see section 4.1(h) 'Internal transfers' below);
- ▶ Selling the investment under pre-emptive rights arrangements built into the investment; and
- ▶ Transferring or selling the investment to a third party (who may be related to BTPN).

In the event a transfer or sale is possible, it may be sold at a significantly lower price than the current value of such beneficial interest. You acknowledge that, in such circumstances, BTPN is not liable for any loss or damage, including any loss of potential profit arising from the investment or any other consequential or indirect loss.

Please also note that pre-emptive rights may apply to specific investments. This means that the actions of other investors, including other Clients, may cause your investment to be liquidated and the net proceeds returned to you. Conversely, such pre-emptive rights may have the effect of limiting your ability to promptly exit an investment. In such circumstances, we will notify you as soon as reasonably practicable but it is your responsibility to ensure that you comply with your Significant Investor Visa conditions. BTPN will not be held liable for any subsequent loss, including any loss of potential profit or any other consequential or indirect loss.

(h) Internal transfers

To affect withdrawals, we may match a withdrawing Client with an incoming Client seeking to acquire the same Investment Option. This matching may be in respect of all or part of the withdrawing Client's interest in the investment. This means that we may not need to seek a physical withdrawal from the underlying investment.

We will give effect to such 'internal transfers' by amending the Client Register maintained in respect of the SIV Flexible Investment Account to record:

- ▶ A disposal of the whole or part of the interest in the relevant Investment Option by the withdrawing Client to the incoming Client; and
- ▶ An acquisition of the whole or part of the interest in the relevant Investment Option by the incoming Client from the withdrawing Client.

Except as set out above, no other actions or consents will be required to give effect to a transfer of whole or part of an interest in an Investment Option from one Client to another. You agree that transfers may be effected in this way and agree to be bound by such transfers.

We will not make or operate a market in interests in investments held through the SIV Flexible Investment Account. However, we will maintain a 'Notice Board' containing information about interests in Investment Options that are the subject of a withdrawal request. We are entitled to retain any benefit from doing so. Further information about the notice board may be found by contacting your Relationship Manager.

(i) Conflicts of Interest

Other Westpac Group entities or business divisions may also invest in Investment Options made available through the SIV Flexible Investment Account. Any such entity or business division is not obliged to act in the interests of Clients and may act in their own interests. Other Westpac Group entities or business divisions may also have separate dealings with the Investment Options and their issuers which may include providing debt facilities, or banking or wealth products or services (for example, the issuer of an Investment Option may open a transactional account with a member of the Westpac Group).

Any related party transaction between members of the Westpac Group must be managed in accordance with Westpac Group conflicts of interest policies and procedures. BTPN may also make available investment opportunities sourced from Westpac Group entities or business divisions.

4.2 Specific information

a) Linked Cash Account

When you apply to become a client of the SIV Flexible Investment Account, you must nominate your 'Linked Cash Account' in your Application Form. Your Linked Cash Account is an Australian dollar bank account held in your name with Westpac (or another bank approved by BTPN for this purpose). You will deposit funds into this account for the purpose of investing in an Investment Option or while you wait for another Investment Option to become available and offered to you. The Linked Cash Account is not an Investment Option itself but will be used to receive distributions or dividend payments and to make payments in connection with SIV Flexible Investment Account transactions including payments of SIV Flexible Investment Account Fees to BTPN.

b) Insufficient funds

Where we debit your Linked Cash Account and as a result your Linked Cash Account going into overdraft, you acknowledge and confirm that BTPN will not be responsible for any associated fees or interest which you might incur.

5 Transacting on your portfolio

5.1 Making an investment

In order to make an investment through the SIV Flexible Investment Account, you must:

- ▶ Place an order with your Relationship Manager;
- ▶ Have sufficient funds available in the Linked Cash Account by the deadline advised to you in the Investment Option Information. If sufficient funds are not available within the time specified in the Investment Option Information, your investment instructions will not be carried out. Once instructions are received, BTPN will arrange for the Linked Cash Account to be debited accordingly. To allow adequate processing time and to meet deadlines set by the Sub-custodian and/or the Administrator, the Linked Cash Account may be debited in advance of the due date required by the Investment Option and where that occurs, no interest will be payable by BTPN or any other person for the funds held during this time period;
- ▶ Comply with any requirements and restrictions that BTPN may in its absolute discretion impose in relation to the relevant Investment Option as advised in the Investment Option Information; and
- ▶ Ensure that you have received, read and understood the Investment Option Information (which includes any Opportunity Document and Offer Document provided for the relevant Investment Option).

It is recommended that you discuss the appropriateness of any Investment Option with your Professional Adviser and a registered migration agent or a solicitor before providing instructions to proceed with an Investment Option.

5.2 Offer Documents

As noted above, BTPN will make available Investment Option Information about each Investment Option offered to Clients. You must read and understand the Investment Option Information (which includes any Opportunity Document and Offer Document provided for the relevant Investment Option).

Please note that the extent of information and documentation available for Investment Options is likely to vary considerably. Not all Investment Options will have a comprehensive prospectus, information memorandum or other form of offer document. Relevant factors may include the level of applicable regulation (if any) and confidentiality obligations. Offer Documents may be limited and out of date. While BTPN will take all due care in assessing investment opportunities, it will not be responsible for information and documentation provided by the issuer or manager of any Investment Option.

5.3 Communication and reporting

BTPN will receive reports and other relevant communications in relation to certain Investment Options from the relevant fund manager.

BTPN or the Administrator will provide important communications to you directly or to your Relationship Manager which will then be provided to you as soon as practicable.

5.4 Investment instructions

Orders to buy or withdraw from an Investment Option must be provided in accordance with this section 5.4.

(a) Applications for new investments

To make an application for a new Investment Option you must provide the signed or otherwise agreed Opportunity Document to BTPN via your Relationship Manager. In most cases, where your application has been accepted by BTPN, it will not be possible to withdraw your application.

(b) Redemptions or withdrawals

To make a redemption or withdrawal from an existing Investment Option, a written instruction must be provided to BTPN via your Relationship Manager.

Once instructions are received, BTPN will arrange for your redemption or withdrawal to be processed. The ability to redeem or withdraw will always be subject to the terms of the relevant Investment Option. See section 4.1(g).

There may be a delay between the withdrawal request being effected and when the proceeds are deposited into the Linked Cash Account by BTPN. No interest will be payable by BTPN or the Sub-custodian for the funds held during this time.

5.5 Minimum holding requirement

It is a condition of the SIV Flexible Investment Account that you maintain a minimum investment balance, of at least \$500,000, following any sale or redemption of all or part of an investment held through the SIV Flexible Investment Account.

If following any such sale or redemption, your investment balance falls below \$500,000, BTPN may invite you to top up your investment or may require you to close your Account. See section 9.6 for more information in relation to closing your Account and your responsibilities to comply with the Significant Investor Visa rules and conditions.

6 Corporate actions and limited decision making on Clients' behalf

6.1 Client instructions

From time to time there may be corporate actions, including proxy voting on management changes, changes in investment mandates and financial restructure of businesses (rights or bonus issues, restructures and debt refinancing) which relate to a Client's Investment Options.

On receipt of the appropriate documentation from the Sub-custodian and/or investment manager, BTPN or the Administrator will provide to each Client's Relationship Manager any documentation received in relation to a corporate action for which Clients are being invited to participate.

Where a decision is required, a response will be requested from the Client's Relationship Manager via email who will respond in accordance with the Client's instructions. In some cases correspondence may state that if a Client has not responded, the Client will have been taken to have instructed BTPN in a particular way.

'Split instructions'

Please note that the terms of some investments may not permit BTPN to 'split' instructions to the fund manager in order to take account of individual Client instructions. If this situation arises, BTPN will generally provide instructions to the Sub-custodian or fund manager based on the majority (by value) of instructions received from Clients. In this case, Clients who provided instructions in the minority will be deemed to have provided instructions in accordance with the majority.

By becoming a Client, each Client acknowledges and agrees that corporate actions will be determined and processed as set out above.

6.2 Limited decision making on a Client's behalf

In some circumstances, it may not be practical and/or possible to seek and act on individual instructions in relation to an Investment Option held on behalf of several Clients. To facilitate effective decision making in these circumstances each Client is required to appoint Net Nominees Limited ABN 94 090 122 375, a Westpac Group entity (Decision Making Entity) as the Client's agent to make decisions on the Client's behalf and provide instructions to BTPN to act on those instructions.

Please see section 9.3 for further information.

7 SIV Flexible Investment Account fees & expenses

Investment Options made available through the SIV Flexible Investment Account will attract certain fees. These fees include upfront fees, ongoing service fees, additional fees, administration fees and spreads (if applicable) (together the SIV Flexible Investment Account Fees). The SIV Flexible Investment Account Fees will be debited from the balance in your Linked Cash Account. It is each Client's responsibility to ensure that they comply with their Significant Investor Visa rules and conditions including in relation to the use of any proceeds of redemption of any Investment Option and the use of the Linked Cash Account to pay SIV Flexible Investment Account Fees.

One of the services to be performed by the Administrator is to collect SIV Flexible Investment Account Fees from you.

Upfront fees

Investment Options made available through the SIV Flexible Investment Account may attract an upfront fee, which, if applicable, will be outlined in the relevant Investment Option Information. The upfront fee payable to BTPN will be debited, together with the investment amount, from your Linked Cash Account.

Any upfront fee is a one-off fee and is only payable if you choose to proceed with the Investment Option.

Ongoing service fees

Some Investment Options made available through the SIV Flexible Investment Account will attract an ongoing service fee, reflective of the continued services in relation to such Investment Options, provided by BTPN in its capacity as the operator of the SIV Flexible Investment Account and Linear in its capacity as the administrator of the SIV Flexible Investment Account.

The ongoing service fees applicable to your Investment Options will be set out in the relevant Opportunity Document and will be deducted when due from the balance in your Linked Cash Account.

The ongoing service fee payable to BTPN will be charged on a quarterly basis in arrears based on the average Australian dollar value of the Investment Options in your Account that are subject to an ongoing service fee. You will be provided with a tax invoice.

Additional fees

In addition to the upfront and ongoing service fees, BTPN may charge additional fees in connection with a particular Investment Option from time to time. Any additional fees will be disclosed in the Investment Option Information prior to you making a decision to invest.

Administration fees

All Investment Options made available through the SIV Flexible Investment Account will attract administration fees. The SIV Flexible Investment Account Fees are inclusive of the administration fees. The administration fees are reflective of the administration services provided by the Administrator, in relation to such Investment Options. You will not be charged any additional administration fees over and above the SIV Flexible Investment Account Fees on account of the administration services performed by the Administrator. Linear collects the SIV Flexible Investment Account Fees and pays them into an account maintained by BTPN. As agent for Linear, BTPN then pays the administration fees to Linear.

Expenses

BTPN may also pass on to the Client any reasonable transaction costs or other liabilities incurred on the Client's behalf in relation to certain Investment Options and these costs or expenses will be met from the balance in your Linked Cash Account.

When known at the time an Investment Option is made available, any reasonable transaction costs or other liabilities applicable to an Investment Option will be disclosed in the Investment Option Information.

8 Underlying investment fees

Investment Options (or their fund managers) will charge fees such as product margins, management fees and/or performance fees. Such fees will be outlined in the Investment Option Information.

For some Investment Options, BTPN may enter into revenue sharing arrangements with the Investment Options (or their fund managers).

9 Additional information

9.1 Distributions from your investments

Distributions will be paid to your Linked Cash Account. BTPN may withhold amounts from those proceeds to recover fees or liabilities owed by you in relation to your SIV Flexible Investment Account investments.

There may be a delay between the time an Investment Option pays a distribution or other income and when it is paid into the Linked Cash Account due to a number of reasons including processing time required by the Sub-custodian and/or the Administrator. No interest will be payable by BTPN, the Sub-custodian or the Administrator for the funds held during this time period.

In all cases, distributions will be paid in the currency of the Investment Option and be subject to the terms of the relevant Investment Option.

9.2 When we may not be able to follow your instructions in making an investment

Depending on the particular Investment Option, there may be certain restrictions on our ability to make an investment. For example, after aggregating all Client requests, we still may not meet the minimum subscription amount or other criteria for the relevant Investment Option or the Investment Option may cease to be a complying investment for Significant Investor Visa purposes.

This may prevent BTPN from proceeding with an investment notwithstanding your instructions or the fact that you personally have sufficient funds to proceed with the investment.

Accordingly, you acknowledge that even if BTPN receives your instructions to proceed with an investment, BTPN reserves the right not to proceed with the investment and we will not be held liable for any subsequent loss, including any loss of potential profit or any other consequential or indirect loss.

BTPN may impose any other requirements and conditions in relation to any Investment Option as it sees fit for the proper administration of the SIV Flexible Investment Account.

If known at that time, such requirements and conditions will be disclosed in the Investment Option Information.

If any Client is unable to comply with these additional requirements and/or conditions, BTPN may refuse to act on the Client's instructions.

You warrant that all orders you place for the acquisition of or withdrawal from Investment Options, and the resulting trades, do not contravene applicable laws and regulations and that you will at all times be in a position to meet all commitments and obligations arising from these orders. You acknowledge that factors beyond our control may prevent us from facilitating your orders in a timely fashion or at all. We will use reasonable endeavours to ensure your orders are placed but we will not be liable for missed opportunities. We can also refuse to act on an order for any reason.

9.3 Limited decision making on your behalf

As noted in section 6.2, in some circumstances it may not be practical and/or possible to seek and act on individual instructions in relation to an Investment Option held through the SIV Flexible Investment Account for several Clients.

For these purposes, you are required to appoint the Decision Making Entity to make certain decisions on your behalf in relation to Investment Options and to provide instructions to BTPN to implement those decisions.

By signing the Application Form:

- ▶ You appoint the Decision Making Entity to act as your exclusive agent for the duration of your investment in your selected Investment Options on the terms described in this Information Memorandum; and
- ▶ You agree to indemnify the Decision Making Entity for any liability it incurs for acting within the scope of its appointment as your agent.

The Decision Making Entity will be taken to have accepted your appointment when it commences to provide the agency services described in this Information Memorandum.

Provided the Decision Making Entity acts in good faith and without negligence it will not be liable to you for any loss suffered including any loss of profit or any other consequential or indirect loss, as a result of its decision making.

It is important that you do not do anything to change the appointment of the Decision Making Entity as your agent for the duration of your investment in each underlying asset held through the SIV Flexible Investment Account. You will not be able to use the SIV Flexible Investment Account if the Decision Making Entity does not remain your agent in accordance with this Information Memorandum.

The Decision Making Entity may delegate its decision making function and powers under this agency arrangement. The Decision Making Entity will be obliged to act in the best interests of Clients when making decisions. Where, due to the nature of the decision or other relevant circumstances, it is not possible to act in the best interests of each relevant Client, the Decision Making Entity must act in the best interests of relevant Clients taken as a whole.

The Decision Making Entity will be acting as your agent and you will be bound by its decisions. You may not direct the Decision Making Entity or BTPN in a manner contrary to the instructions provided by the Decision Making Entity to BTPN, and no member of the Westpac Group will be liable to you for any loss suffered by you as a consequence of these arrangements, including any loss of profit and any other consequential or indirect loss.

The scope of the decision making powers is set out below.

Administrative decisions

Administrative decisions in relation to Investment Options, including those in the nature of, or similar to the following:

- ▶ Nomination, appointment and removal of directors and committee representatives to Investment Options (appointees may be Westpac Group employees or officers);
- ▶ Appointment of advisers and auditors for Investment Options;
- ▶ Approval of business plans and accounts of Investment Options;
- ▶ Sale or purchase of non-material assets by an Investment Option;
- ▶ Release of funds from holding company structures for purposes relevant to the Investment Option;
- ▶ Changes in the issued capital of Investment Options for non-material purposes;
- ▶ Change of an Investment Option name, custodian, or administrator;
- ▶ Non-material changes in loan documentation or other issues related to borrowing undertaken by an Investment Option; and
- ▶ Extension of an underlying Investment Option's term or non-material alteration of its term. The latter must be consistent with the Investment Option's original mandate.

Other decisions

- ▶ Exit/sale/redemption decisions that, in the opinion of the Decision Making Entity, cannot be made or are not practical to be made based on individual instructions;
- ▶ Corporate actions that, in the opinion of BTPN, cannot be implemented by following the instruction procedures set out under 'Corporate Actions' (see section 6), for example because of the limited time frame for a required response; and
- ▶ Decisions where it is not practical or possible to obtain the decisions of each Client.

9.4 Your Relationship Manager

Your Relationship Manager is your primary point of contact for any questions you might have in relation to the SIV Flexible Investment Account.

When you open your Account, you authorise your Relationship Manager to give BTPN your instructions. You may also appoint another third party to give instructions to your Relationship Manager. You will need to provide documentation evidencing that appointment, for example, a power of attorney.

9.5 General advice

All investment and other information provided to you by BTPN or your Relationship Manager is either factual information or general financial product advice. Your Relationship Manager cannot provide any advice which takes into account your objectives, financial situation and needs. If you require personal financial product advice, tax or legal advice please contact an appropriate Professional Adviser.

9.6 Closing your Account and Significant Investor Visa consequences of withdrawal

Generally, because of the restrictions on Investment Options imposed by underlying investment managers, it may not be possible to transfer holdings directly to you if you choose to close your Account. In this case, BTPN may need to arrange, where possible, the sale of your interest in a particular Investment Option. See section 4.1(g).

Clients should be aware that it is their responsibility to make sure that they are complying with their Significant Investor Visa conditions and the Significant Investor Visa rules, and that their 'complying significant investment' is maintained if they withdraw from or redeem an Investment Option.

Neither BTPN nor the Relationship Manager is under any duty to advise a Client in relation to complying with the Significant Investor Visa rules or their visa conditions or any other Significant Investor Visa matter. This means that if BTPN receives a request from a Client for withdrawal from an Investment Option or from the SIV Flexible Investment Account, it is the Client's responsibility to ensure compliance with the Significant Investor Visa rules and their visa conditions and we accept no responsibility for such matters. Clients should seek their own migration advice on the implications of any withdrawal for their Significant Investor Visa and status.

However, if BTPN becomes aware that an Investment Option has ceased to be (or reasonably suspects that it will cease to be) a 'complying significant investment' for Significant Investor Visa purposes, it is a condition of the SIV Flexible Investment Account that each Client authorises BTPN to facilitate or give effect to a withdrawal, exit or redemption from that Investment Option and unless notified by the Client to the contrary, to re-invest any proceeds of such withdrawal, exit or redemption in another Investment Option that BTPN believes to be a 'complying significant investment'. The Client acknowledges that BTPN does not guarantee the availability of any 'complying significant investment' at the time of such withdrawal, exit or redemption and will not be liable for any subsequent loss (from any re-investment or lack of re-investment) including any loss of potential profit and any other consequential or indirect loss. It is the responsibility of the Client to ensure that following a withdrawal, exit or redemption from an Investment Option that it continues to comply with the Significant Investor Visa rules and their visa conditions.

9.7 Anti-Money Laundering and sanctions obligations

We are bound by Australian and international laws, rules and regulations about the prevention of money laundering and the financing of terrorism as well as sanctions obligations, including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Laws and Sanctions). BTPN is required to obtain information about you to verify your identity and may require further information from you before it can accept you as a Client.

By completing and signing the Application Form you agree that:

- ▶ We are required to carry out procedures that verify your identity, that of your beneficial owners and associated parties before providing services to you, and from time to time thereafter;
- ▶ You must not request a transaction in an Investment Option that may be in breach of Australian law or any other law binding on you, BTPN or any other person involved in the operation of the SIV Flexible Investment Account;
- ▶ You are not applying for an investment via the SIV Flexible Investment Account under an assumed name;
- ▶ Any money you invest in an Investment Option is not derived from or related to any criminal activities (including any money laundering, terrorism financing or other illegal activities, whether prohibited under Australian law, international law or convention or by agreement);
- ▶ Any proceeds of your investment in an Investment Option will not be used in relation to any criminal activities;
- ▶ You will not initiate, engage in or effect a transaction in an Investment Option that may be in breach of any AML/CTF Laws and Sanctions;
- ▶ You are not a politically exposed person or organisation;
- ▶ If we ask, you will provide us with any additional information we may reasonably require for the purposes of any AML/CTF Laws and Sanctions. This could include information about you, about your beneficial owners and associated parties, your estate, about anyone acting on your behalf, or the source of funds used in connection with an investment;
- ▶ We may obtain information about you, about your beneficial owners and associated parties, your estate, anyone acting on your behalf or the source of funds used in connection with an investment from third parties if we believe this is necessary to comply with any AML/CTF Laws and Sanctions;
- ▶ In order to comply with any AML/CTF Laws and Sanctions, we may be required to take action, including delaying or refusing the processing of your Application Form or any transaction related to your Account if we believe or suspect that the application or transaction

may breach any obligation of, or cause us to commit or participate in an offence under any AML/CTF Laws and Sanctions. We will not incur any liability in doing so; and

- ▶ Where legally obliged to do so, we may disclose the information gathered to regulatory and/or law enforcement agencies or other entities. We may share this information with other members of the Westpac Group.

We can close your Account without notice if we suspect that there is a breach of any of the conditions set out in the section 'Anti-Money Laundering and Sanctions Obligations' such as unsatisfactory conduct by you or if you fail to provide required information and documentation as requested within a stipulated time period, or if we consider that we need to close your Account for any other reason in order to manage appropriately any risks to which we are exposed (including the risk of damage to our reputation).

Underlying investment managers, financiers or advisers may also require certification of your identity for the purposes of satisfying their obligations under any AML/CTF Laws and Sanctions. By becoming a Client, you acknowledge and agree that BTPN may provide information that it holds about you for the purposes of satisfying their obligations under any AML/CTF Laws and Sanctions or similar requirements.

You authorise BTPN to provide any necessary documentation required under any AML/CTF Laws and Sanctions to the Sub-custodian or the Administrator.

9.8 Changes to the SIV Flexible Investment Account

BTPN can amend or change any term or other feature of the SIV Flexible Investment Account by written notice to Clients.

Additionally, BTPN has the right to terminate an individual Account or to terminate the SIV Flexible Investment Account in its entirety.

9.9 Custody services

BTPN is acting as bare trustee for you in regards to your investments. You remain the beneficial owner of your investments, receiving all the benefits such as distributions and gains, and retaining all the liabilities such as any expenses associated with your investment.

BTPN has appointed the Sub-custodian to provide actual custody of certain investments held through the SIV Flexible Investment Account. As such, either BTPN or the Sub-custodian will hold legal title to all SIV Flexible Investment Account investments. Where the Sub-custodian holds these assets on behalf of BTPN, it is responsible to BTPN under a contractual relationship.

By completing the Application Form and investing through the SIV Flexible Investment Account, each Client acknowledges the Sub-custodian's role with respect to the SIV Flexible Investment Account and the investments held through it and agrees that the Sub-custodian's obligations are limited to the provision of the services to BTPN under its custody agreement with BTPN and that the Sub-custodian's liability is limited to BTPN under the terms of its custody agreement with BTPN and the Sub-custodian has no liability to Clients.

The Sub-custodian will accept instructions with respect to underlying investments from BTPN or the Administrator, and will not accept any instructions from Clients.

Under the agreement with the Sub-custodian, BTPN may instruct the Sub-custodian to sign documents, buy and sell investments and make and receive payments in connection with the assets the Sub-custodian holds on behalf of BTPN.

BTPN may also request that the Administrator provides instructions to the Sub-custodian on its behalf.

The Sub-custodian has not authorised or caused the issue of this Information Memorandum.

Segregation of assets where practicable

The Sub-custodian will segregate assets it holds on behalf of BTPN from the assets of the Sub-custodian or its related entities. Assets held by the Sub-custodian, pursuant to the agreement BTPN has with Sub-custodian, are not available to the creditors of the Sub-custodian or its related entities.

The Sub-custodian will segregate all assets it holds on behalf of BTPN from those of other clients of the Sub-custodian, unless such assets are listed or are held in a securities depository account, in which case they may be comingled with the assets of other clients of the Sub-custodian.

The Sub-custodian will not actively enter into any arrangement pursuant to which it will pledge or lend any of the assets held on behalf of BTPN.

9.10 Administration services

By completing the Application Form and investing through the SIV Flexible Investment Account, each Client acknowledges the Administrator's role with respect to the SIV Flexible Investment Account and the investments held through it and agrees that the Administrator's obligations are limited to the provision of the services to BTPN under its administration services agreement with BTPN and that the administrator's liability is determined under the terms of its administration services agreement with BTPN.

The Administrator has agreed to provide administration services in respect of the SIV Flexible Investment Account.

The services provided by the Administrator may include, but are not limited to:

- ▶ Recording your investments on a register separate from the investments of other Clients (Client Register);
- ▶ Investment Option reporting as noted in section 3.8;
- ▶ Liaising with the Sub-custodian in relation to your investments;
- ▶ Calculating the SIV Flexible Investment Account fees payable by you;
- ▶ Collecting the SIV Flexible Investment Account fees from you;
- ▶ Reporting on the value of your investments;
- ▶ Assisting with the processing of corporate actions;
- ▶ Reconciling income payments (including any interest and distributions payable) relating to your investment with the Client Register;
- ▶ Processing Application Forms; and
- ▶ Processing applications to, and withdrawals from, investments.

9.11 Losses and liabilities

BTPN will not be liable to you for any losses or liabilities (including taxes) (Losses) you may incur in relation to any action taken on your behalf (including, the holding of Investment Options), except to the extent that those Losses directly arise from negligence, fraud or material default. BTPN will not be liable to you for any loss of potential profit or any other consequential or indirect loss.

BTPN is entitled to be indemnified, and pay itself out of your investments in the SIV Flexible Investment Account for its fees and any losses or liabilities it incurs in the proper performing or exercise of any of its powers or duties as contemplated by this Information Memorandum.

BTPN may, at its absolute discretion, appoint alternative sub-custodians and/or administrators for all or part of the SIV Flexible Investment Account.

9.12 General tax considerations

This section sets out some general information in respect of the income tax consequences for Australian resident and non-resident Clients that make investments through the SIV Flexible Investment Account.

Although either BTPN, or the Sub-custodian on behalf of BTPN, holds legal title to the assets held through the SIV Flexible Investment Account, Clients should be treated as absolutely entitled to particular underlying investments, depending on the nature of the investments. This position is based on a draft ruling issued by the Australian Taxation

Office (ATO) in 2004 (TR 2004/D25). Although the draft ruling is yet to be finalised, the ATO has indicated that it still holds the views expressed in the draft ruling.

All returns and distributions will be passed through to investors upon receipt from the underlying investment issuers. As such, neither BTPN nor the Sub-custodian should themselves be taxed on that income in Australia or be required to pay tax on behalf of Australian resident Clients.

Given the complex nature of the Australian tax system, and the fact that different investors have different individual circumstances, Clients should obtain professional tax advice regarding each specific investment they hold or propose to make through the SIV Flexible Investment Account and monitor the position on an ongoing basis.

(a) Australian residents for Australian tax purposes

The general Australian income tax consequences relevant to investors who are Australian residents for tax purposes include but are not limited to:

- ▶ Income from investments – each Client will need to declare in their tax return the assessable income in respect of the investments within their Account;
- ▶ Capital gains tax – a Client may incur a capital gains tax liability if they sell, redeem or withdraw from an investment within their Account;
- ▶ Tax credits – Clients may be entitled to franking credits and/or foreign income tax offsets (which may entitle a Client to a tax rebate or refund, as applicable); and
- ▶ Tax deferred components – returns and distributions to Clients may include tax deferred components.

Overseas investments may result in Clients being assessable on income attributed under the ‘controlled foreign company’ or proposed ‘foreign accumulation fund’ rules prior to returns or distributions actually being paid by the investments or funds.

(b) Non-residents for Australian tax purposes

If you are not an Australian resident for tax purposes, withholding tax may be required to be withheld in respect of any distribution of dividends, interest, other income or gains which have an Australian source. This income may also be subject to the tax laws of your country of residence. You may be entitled to tax credits in your country of residence in relation to Australian tax applied to Australian sourced income. The amount of any such tax credit may be subject to certain limits. Regardless of the country of your residence, we recommend you obtain professional tax advice before investing.

(c) Changes in residency

If you change from being a non-resident to becoming an Australian resident or vice versa, it is important that you notify us immediately as special tax rules apply in cases of becoming or ceasing to be an Australian resident. Changes to your residency status may give rise to tax consequences.

9.13 Tax File Numbers and Australian Business Numbers

If you are an Australian resident or become an Australian resident, we require you to provide your Tax File Number (TFN) or Australian Business Number (ABN) and you are unable to invest until you have provided a valid TFN or ABN.

9.14 Are fees and charges tax deductible?

In general, the ongoing fees you pay for your SIV Flexible Investment Account may be tax deductible if you are an Australian resident for taxation purposes.

For specific information on what is and is not tax deductible, you should contact your tax adviser.

9.15 Goods and Services Tax

Goods and Services Tax (GST) will generally apply to the SIV Flexible Investment Account fees and charges. GST will generally not apply to income and distributions through the SIV Flexible Investment Account.

10 What are the risks?

This section is not and does not purport to be a complete description of every risk that may arise as a result of becoming a Client or investing in the available Investment Options.

10.1 Investment risks

It is important to remember that investing carries risks. The value of your investments may fall and the amount of income you may potentially receive from your investments will vary and could be nil.

The risks of the Investment Options vary and you should consider the relevant Investment Option Information carefully.

Investing in Investment Options may involve a high degree of risk. Accordingly, investors should consider the following general risk factors.

10.2 Loss of capital

In some cases, alternative assets may exhibit higher risk than traditional assets and some investments may fail, resulting in a loss of capital.

Investors should be aware that any investment, in particular illiquid investments in alternative asset classes such as private equity, unlisted infrastructure and property involves risk and should be considered long term in nature. The risk profile of each Investment Option depends on a range of factors, some of which may be peculiar to a particular opportunity.

Investors should be aware that some underlying Investment Options will feature performance fees and as a result the managers of those funds may be incentivised to make riskier investments than would have been the case if the managers were compensated solely based on a flat percentage of capital invested.

You should consider the Investment Option Information (which includes any Offer Document) before making a decision to invest in any Investment Option made available through the SIV Flexible Investment Account.

10.3 Volatility of returns

The value of an Investment Option or the value of the securities or asset into which it invests itself may vary, sometimes significantly, and over both short and longer periods of time. As an indicator of risk, the greater the volatility of returns the more likely it is that returns will differ from those expected over a given period. This remains true even though the valuation of Investment Options may be on an infrequent basis.

10.4 Liquidity risk

Many of the Investment Options available through the SIV Flexible Investment Account should be considered illiquid in the sense that there is no guarantee that any or all of the investments can be readily sold on a secondary market.

BTPN may find it difficult to dispose of an Investment Option held within an Account. Furthermore, we are under no obligation to create a secondary market in any investment and may be restricted from redeeming, transferring or otherwise disposing of the investment. Investments in managed wholesale funds are typically more liquid but are still bound by the withdrawal periods imposed by the fund managers.

Even if there is a secondary market for an investment, this secondary market may not provide significant liquidity. As such, the value attributed to investments may be different to the actual value that may be realised for the investment in the event the investment is sold.

10.5 Currency risk

There is a risk of loss on any Investment Option exposed to foreign currencies due to exchange rate fluctuations or restrictions being placed on the trading of such currency.

10.6 Borrowing

BTPN is unable to provide your interest in any investments as security or collateral for any loan or other borrowings. In addition, by completing the Application Form and investing through the SIV Flexible Investment Account, each Client acknowledges that the funds used to invest in an Investment Option are unencumbered and have been lawfully acquired.

10.7 Risk from leverage

Some of the Investment Options utilise borrowings or leverage. Where this is the case, this increases the risk of variations in the value of the relevant Investment Option, particularly during periods of decline in investment markets or periods of dislocation in credit markets. In some cases, and in certain circumstances, the leverage within an Investment Option can severely impair its value.

10.8 Market and macro-economic risks

Market and macro-economic risk refers to changes in prices of securities or other assets, including those securities or other assets in which an Investment Option invests that may result in loss of principal or large fluctuations in the value of the Investment Option. Factors that drive changes in the prices of assets or investments include changing profitability of companies and industries, economic cycles, volume of share issuances, investor demand levels, business confidence and government and central bank policies.

The operations and financial performance of Investment Options may be influenced by a variety of general economic and business conditions including the level of inflation, GDP growth, interest rates and exchange rates, and government fiscal, monetary, tax and regulatory policies.

Investors should be aware that in recent years, global financial markets have experienced significant disruption, which has led to extensive government intervention. There is a risk that current or future government intervention in the global financial markets could impact market participants' ability to implement certain investment strategies or manage outstanding positions, which could affect the performance of certain Investment Options.

10.9 Correlation risk

Correlation risk refers to the risk that poor performance in some markets, instruments and investments will significantly adversely affect the performance of the Investment Option, irrespective of whether the Investment Option has direct exposure to such markets, instruments and investments.

Investors should also be aware that the global financial markets have experienced heightened levels of correlation across a large number of markets, asset classes and geographies. This has increased the correlation risk of investments including the Investment Options accessed through the SIV Flexible Investment Account.

10.10 Company specific risk

Company specific risk is inherent in a particular company's performance due to factors that are pertinent to that company, the sector of the market to which the company belongs, or the share market generally.

These factors may cause a company to perform adversely and where an Investment Option has invested in that company, may reduce the value of the Investment Option.

With the inclusion of mandatory investment in managed funds investing in 'emerging companies investments' under the Significant Investor Visa rules, Clients investing in Investment Options which are 'emerging companies investments' may be exposed to additional risks in relation to emerging companies.

10.11 Counterparty risk

This is the risk of loss due to counterparty default, for example a failure to meet a financial obligation. Counterparties include issuers and managers of Investment Options, custodians, the Sub-custodian, administrators (including the Administrator), brokers, borrowers and structured product counterparties.

10.12 Enforcement risk

BTPN or the Sub-custodian is the legal owner of the Investment Options while you retain beneficial ownership in the Investment Options. You will not directly hold rights attaching to the ownership of the Investment Option. If the fund manager of an Investment Option defaults, you will not have direct recourse against that fund manager.

There may also be restrictions on the ability of BTPN or the SIV Flexible Investment Account to recover funds due from defaulting counterparties, including where the relevant obligation has been subordinated to, or ranks behind, the interests of another creditor. Prior ranking security granted to another creditor may also adversely affect the ability of BTPN or the SIV Flexible Investment Account to recover amounts due in relation to an Investment Option.

10.13 Derivatives risk

Investors should be aware that investment in certain Investment Options may involve exposure to derivatives. Whilst the use of derivatives in Investment Options is expected to be limited to risk management purposes and not speculative investments, they can potentially be used to create leveraged positions, where exposures (and potential gains and losses) are greater than the value of assets required to support them. Investors should be aware that the pricing relationship between derivatives and the instruments underlying such derivatives may not correlate with historical patterns, which may result in unexpected losses.

10.14 Significant Investor Visa risk

Investors should be aware that there is no guarantee that DIBP will extend a sub-class 188 visa or grant a sub-class 888 visa to a Client. There is also the risk of future regulatory or policy change (including following any change of government) and a risk that DIBP may change its policy in relation to 'complying significant investments'. This may result in Investment Options no longer being 'complying significant investments' or the SIV Flexible Investment Account no longer being suitable for holding 'complying significant investments'.

It is each Client's responsibility to ensure that their 'complying significant investments' are maintained. Neither BTPN nor the Relationship Manager is under any duty to advise a Client in relation to complying with the Significant Investor Visa rules and their visa conditions.

or any other Significant Investor Visa matter. However, if BTPN becomes aware that an Investment Option has ceased to be (or reasonably suspects that it will cease to be) a 'complying significant investment' for Significant Investor Visa purposes, it is a condition of the SIV Flexible Investment Account that each Client authorises BTPN to facilitate or give effect to a withdrawal, exit or redemption from that Investment Option and, unless notified by the Client to the contrary, to re-invest any proceeds of sale or redemption in another Investment Option that BTPN believes to be a 'complying significant investment'. The Client acknowledges that BTPN does not guarantee the availability of any 'complying significant investment' at the time of such withdrawal, exit or redemption and will not be liable for any subsequent loss (from any re-investment or lack of re-investment), including any loss of potential profit and any other consequential or indirect loss.

10.15 Country risk

Country risk refers to the potential adverse political, economic or social developments affecting the return on an Investment Option exposed to that country. Examples are political instability, recession and war. The Investment Options are primarily exposed to Australia, and may be affected by adverse political, economic or social developments affecting Australia and any other country to which the Investment Options are exposed.

10.16 Risk from changes of law and other statutory restrictions

Changes to laws or their interpretation, including taxation and corporate regulatory laws could have a negative impact on the returns to investors.

10.17 Concentration / lack of diversification risk

There is a risk that investments that you hold through the SIV Flexible Investment Account have significant exposure to particular companies, industry sectors or markets (such as the Australian emerging companies sector). If that is the case, then any fluctuation in value or under performance or failure of such assets or investments will have a greater proportionate impact on the value of your investments as a whole than if you had a more diversified portfolio of investments.

Investors should be aware that certain Investment Options may not deliver anticipated levels of diversification due to market dynamics and/or a lack of availability of suitable investment opportunities that are consistent with the anticipated investment approach. This may impact the performance of certain Investment Options.

10.18 Redemption risks

Due to the terms governing an Investment Option, it may be necessary to aggregate redemption requests from various Clients before making a redemption request. These requirements may prohibit a single redemption if the redemption would cause the holding in BTPN's name to fall below the minimum holding requirements for that investment. Alternatively, the single redemption may only be possible if the entire holding is redeemed. This may be the case for all Investment Options which are funds, even for those managing listed equities, interest rate securities and property.

You should be aware that Investment Options may include long term growth investments and certain investments may be illiquid. Such investments have a longer investment time horizon and units or shares may not be redeemable for significant periods of time and may be subject to additional transfer restrictions imposed by the investments.

Investors should be aware that investments made through the SIV Flexible Investment Account may, without cause, be compulsorily redeemed at the behest of the Investment Option manager or other party involved in the operation of such Investment Options.

See also section 10.14 in relation to Significant Investor Visa risks. A withdrawal from, or a redemption in whole or in part of, an Investment Option may have implications for a Client's compliance with their visa conditions and the Significant Investor Visa rules.

10.19 Investment manager risk

Investment manager risk refers to the risk that an investment manager for a particular Investment Option will not achieve its performance objectives or will not produce returns that compare favourably against its peers. Many factors can negatively impact the manager's ability to generate returns from its stock / asset selection process (for example loss of key staff).

10.20 Due diligence and information risk

Due to the nature of some Investment Options, information about the investment and/or the issuer/fund manager may be limited or based on information provided by one or more third parties as well as information obtained from publically available sources. No assurance can be given as to the accuracy or completeness of the information considered as part of the investment review process. To the extent that information is incomplete, inaccurate or misleading, there is a risk that the future financial performance, cash flows and prospects of the investment may differ (including in an adverse way) from BTPN's expectations. In the case of some Investment Options, access to information may be limited, for instance where the investment relates to unlisted rather than listed funds.

10.21 Operational and technology risk

As with any service that uses technology, there is some risk that relevant administration systems may fail, causing a delay in the processing and reporting on your investments. We have sought to address this risk and the risks associated with other unforeseen circumstances by implementing a disaster recovery plan and requiring third parties to do the same. There is also risk associated with reliance on information provided by product issuers and other external service providers. We address this risk by having service agreements in place with relevant third parties (including the Sub-custodian and the Administrator).

10.22 Tax risk

Section 9.12 contains general information in respect of the Australian income tax consequences for Australian resident and non-resident Clients based on current Australian tax laws. Clients should read this section carefully to confirm the suitability for them of making investments through the SIV Flexible Investment Account and should seek their own professional tax advice in relation to any changes in tax law or administrative practice that may affect their investments.

11 Setting up an Account

11.1 Who can open an Account?

Only a Wholesale Client accepted by BTPN may open an Account. Information on how a person may qualify as a Wholesale Client is set out in section 3.1.

Prospective Clients must complete the Application Form. BTPN may reject or accept an application to become a Client in its absolute discretion.

Prior to establishing a SIV Flexible Investment Account, Clients must have established a Linked Cash Account which must be with Westpac or another bank approved by BTPN for this purpose.

Investors should seek migration advice from a registered migration agent or a solicitor in relation to their Significant Investor Visa application and compliance with their Significant Investor Visa conditions.

11.2 Who should sign?

Individuals

Applications must be signed by the individual in whose name the account is opened.

Trustee accounts

Applications must be signed by the trustee of the relevant trust and must be in the name of the trustee rather than

the name of the trust. For example: John Smith ATF Smith Family Trust, not Smith Trust. The Applicant must be the sole trustee and beneficiary.

Corporate accounts

Applications must be signed by two directors or a director and the company secretary or under power of attorney on behalf of the company. Where executed by a sole director and sole secretary, this must be indicated on the Application Form.

Power of attorney

If signing under power of attorney please attach a certified copy of the power of attorney and specimen signature(s) of the attorney(s).

12 Confidentiality, privacy & personal information and US persons

12.1 Confidentiality

When an Investment Option is made available via the SIV Flexible Investment Account, BTPN will provide you with Investment Option Information in relation to that Investment Option (the Purpose) which is confidential (Confidential Information).

By becoming a Client you undertake to keep the Confidential Information strictly confidential and secure, not use the Confidential Information except as required for the Purpose and not to disclose the Confidential Information to any person except as permitted below. The undertakings above will not apply to any Confidential Information that you are required to disclose by any applicable law or is made publicly available by appropriate disclosure by or on behalf of the Westpac Group.

By becoming a Client, you also acknowledge that disclosure of the Confidential Information other than for the Purpose could cause significant detriment to the Westpac Group, that damages may not be a sufficient remedy for breach of the above undertakings and the Westpac Group may be entitled to other legal remedies.

12.2 Privacy & personal information

By becoming a Client, you consent to BTPN and the Westpac Group collecting, using, holding and disclosing your personal information in the manner described in this section 12 and the BT Financial Group (the wealth management arm of the Westpac Group) Privacy Policy.

When you trust us with your personal information, you expect us to protect it and keep it safe. We are bound by the Privacy Act 1988 (Cth) (Privacy Act) and will protect your personal

information in accordance with the Australian Privacy Principles. These principles govern how we can collect, use, hold and disclose your personal information, as well as ensuring the quality and security of your personal information.

(a) Why we collect your personal information

We collect personal information from you:

- ▶ To process your Application Form;
- ▶ To establish and administer the financial products and services BTPN or the Westpac Group provide to you;
- ▶ For product development, conducting market research and statistical analysis purposes; and
- ▶ To provide additional services to you, such as market updates and information on products and services available from BTPN or the Westpac Group we think may interest you.

We may also use your information to comply with legislative or regulatory requirements in any jurisdiction, prevent fraud, crime or other activity that may cause harm in relation to our products or services, and help us run our business.

Without your personal information, we may need to reject your Application Form and may be unable to establish and administer your financial arrangements.

(b) How we collect your personal information

We may collect your personal information from many places including your Application Form, correspondence with you, our telephone calls with you, you emailing us, publicly available sources of information (such as public registers), your representatives (including your legal adviser, mortgage broker, financial adviser, executor, administrator, guardian, trustee, or attorney) and commercial information service providers, such as companies that provide fraud prevention reports. We may also collect your information from other members of the Westpac Group, or from a service provider engaged to do something for us or another member of the Westpac Group. Our service providers typically include custodians, investment administrators, information technology advisers, mail-houses, auditors, legal advisers and consultants.

(c) Disclosing your personal information

We may disclose your personal information to other members of the Westpac Group, anyone we engage to do something on our behalf such as a service provider (such as the Sub-custodian, or the Administrator) and other organisations that assist us with our business. We may also disclose your personal information to the issuer of an investment or a person who acts on your behalf in relation to your investment (for example, example your solicitor, accountant, or financial

advisor). We may also disclose your personal information to others outside the Westpac Group where:

- ▶ We are required or authorised by law or where we have a public duty to do so;
- ▶ You have expressly consented to the disclosure or the consent may be reasonably inferred from the circumstances; or
- ▶ We are otherwise permitted to disclose the information under the Privacy Act.

We may disclose your personal information to an entity which is located outside Australia. Details of the countries where the overseas recipients are likely to be located are in the BT Financial Group Privacy Policy.

As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia, and in some cases offshore. We are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they may have their own privacy laws. By using our products or services, you consent to these disclosures.

(d) Other important information

We are required or authorised to collect personal information from you by certain laws. Details of these laws are in the BT Financial Group (the wealth management arm of the Westpac Group) Privacy Policy.

The BT Financial Group Privacy Policy is available at <http://www.bt.com.au/help/privacy.asp> or by calling BT Customer Relations on 132 135. The Privacy Policy covers:

- ▶ How you can access the personal information we hold about you and ask for it to be corrected;
- ▶ How you may make a complaint about a breach of the Australian Privacy Principles, or a registered privacy code, and how we will deal with your complaint; and
- ▶ How we collect, hold, use and disclose your personal information in more detail.

The BT Financial Group Privacy Policy will be updated from time to time.

Where you have provided information about another individual, you must make them aware of that fact and the contents of this section 12.

We and members of the Westpac Group will use and disclose your personal information to contact you or send you information about other products and services offered by the Westpac Group or its preferred suppliers. If you do not wish to receive marketing communications from us please call us on 1800 779 274.

12.3 US Persons

(a) US Persons

A US Person may not become a Client of the SIV Flexible Investment Account. If at any time you become a US Person, you undertake to notify BTPN as soon as practicable. Persons within the United States and its possessions are also unable to become Clients of the SIV Flexible Investment Account.

(b) Our reporting obligations

We are required to identify certain US persons in order to meet account information reporting requirements under local and international laws.

If you or (where you are an entity) any office bearer (meaning a director of a company, partner in a partnership, trustee of a trust, chairman, secretary or treasurer of an association or co-operative) of the entity and/or any individual who holds an interest in the entity of more than 25% (a Controlling Person) are a US citizen or US tax resident, you must telephone 1300 658 194 at the time you apply to become a Client. When you contact us you will be asked to provide additional information about your US tax status and/or the US tax status of any Controlling Person which will constitute certification of US tax status for the purposes of the application to become a Client.

Unless you notify us that you and/or any Controlling Person are a US citizen or US tax resident as specified above, becoming a Client constitutes certification that you and/or any Controlling Person are not a US citizen or US tax resident.

If at any time after account opening, information in our possession suggests that you and/or any Controlling Person may be a US citizen or US tax resident, you may be contacted to provide further information on your US tax status and/or the US tax status of any Controlling Person. Failure to respond may lead to certain reporting requirements applying to the Account.

13 Directory and email correspondence

E-mail:

GlobalInvestmentService@BTFinancialGroup.com

Phone: 1800 779 274 (in Australia), +61 2 8253 6796 (international) or your Relationship Manager

You may receive correspondence in relation to your Investment Options from BTPN or the Administrator. If this correspondence is by email, it may be from a 'no-reply' email address. If you are requested or elect to reply to such an email, please address such reply to the email address nominated as the reply email address in such correspondence.

14 Glossary

In the Information Memorandum, certain terms have the meanings given below.

Term	Meaning
Account	For a Client, the records maintained by BTPN that show the interest of the Client in Investment Options held by the Client through the SIV Flexible Investment Account.
Administrator	Linear Administration Services Pty Limited ACN 163 681 678 or such other person appointed by BTPN as administrator for SIV Flexible Investment Account from time to time.
Application Form	The application form accompanying this Information Memorandum.
Client	A Wholesale Client that holds an Account either individually or together with another Wholesale Client.
Decision Making Entity	Net Nominees Limited ABN 94 090 122 375.
DIBP	Department of Immigration and Border Protection.
GST	Any goods and services tax, consumption tax, value-added tax or any similar impost or duty which is or may be levied or becomes payable in connection with the supply of goods or services.
Information Memorandum	This document.
Investment Option	An investment option available to Clients through the SIV Flexible Investment Account.
Investment Option Information	The information provided in relation to an Investment Option when it is made available, being generally in an Opportunity Document together with any related Offer Documents for that Investment Option.
Linked Cash Account	The cash account that you nominate in your Application Form as your 'Linked Cash Account', being the account that BTPN will have access to under the terms and conditions of the SIV Flexible Investment Account (this account must be with Westpac or another bank approved by BTPN for this purpose).
Offer Document	The offer or disclosure document for an Investment Option. These documents are typically prepared by the issuer or manager of the Investment Option and may be in the form of a prospectus, private placement memorandum, information memorandum, term sheet or other form of disclosure document. Offer Documents for alternative investments are typically not regulated or prepared for use by retail clients.
Opportunity Document	A document in the form of a letter or email provided to Clients by or on behalf of BTPN, setting out information and any additional terms of investment in relation to an Investment Option.
Professional Advisers	Any of your professional advisers including tax, legal or accounting advisers.
Relationship Manager	A representative of the Westpac Group who has authority to accept instructions from the Client in relation to an Investment Option.
Significant Investor Visa	The 'Significant Investor' stream of the Business Innovation and Investment Program run by the DIBP which provides an opportunity for overseas investors to obtain temporary residency (under the sub-class 188 visa) and later permanent residency (under the sub-class 888 visa) by investing in Australia, subject to certain conditions.
Sub-custodian	JPMorgan Chase Bank, N.A., Sydney Branch ABN 43 074 112 011 or such other person appointed by BTPN as sub-custodian from time to time.
US Person	Has the meaning given to the term in Regulation S under the United States Securities Act of 1933 and, where the context requires, has the meaning given in Regulation 1.1471-1(b)(132) under the Foreign Account Tax Compliance Act.
Westpac	Westpac Banking Corporation ABN 33 007 457 141.
Westpac Group	Westpac Banking Corporation ABN 33 007 457 141 and its related bodies corporate.
Wholesale Client	Persons who are both: <ul style="list-style-type: none"> ▶ 'wholesale clients', as defined under section 761G(4) of the Corporations Act; and ▶ a person to whom disclosure need not be made under section 708 of the Corporations Act.

**Important information**

JPMorgan has not been involved in the preparation of this Information Memorandum or caused or otherwise authorised the issue of this Information Memorandum. JPMorgan has not independently verified the information contained in this Information Memorandum and, accordingly, accepts no responsibility for the accuracy or completeness of the information.

JPMorgan does not guarantee the success or the performance of the Global Investment Service nor the success or the performance of the investments within the Global Investment Service nor the repayment of capital or any particular rate of capital or income return.