

SGH Professional Investor Reference Guide

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ABOUT THIS SGH EQT REFERENCE GUIDE

This SGH Professional Investor Reference Guide has been prepared and issued by EQT. The information in this document forms part of each Product Disclosure Statement ("PDS") issued by EQT for the:

- SGH ICE - Professional Investor;
- SGH20 - Professional Investor;
- SGH LaSalle Global Property Rich Fund – Professional Investor
- SGH Property Income Fund - Professional Investor; and
- SGH Emerging Companies Fund - Professional Investor (Closed to new investors from 6 October 2015).

The PDS and this SGH Professional Investor Reference Guide are available on www.sghiscock.com.au and you can also request a copy by calling FundBPO on 1300 133 451 (Australia) or +61 2 8259 8888.

Investment Manager & Client Services

SG Hiscock & Company Limited
 ABN 51 097 263 628
 AFSL No. 240679
 Web: www.sghiscock.com.au

Responsible Entity

Equity Trustees Limited
 ABN 46 004 031 298, AFSL 240975
 Web: www.eqt.com.au/insto

Administrator

FundBPO - Unit Registry
 GPO Box 4968
 Sydney, NSW, 2001
 Phone: 1300 133 451 or +61 2 8259 8888
 Fax +612 9251 3525
 Email: SGHinvestorservices@fundbpo.com
 Website: www.fundbpo.com

1. INVESTING IN A SGH FUND

APPLICATION CUT-OFF TIMES

If we receive correctly completed Application Forms, identification documents (if applicable) and cleared application money:

- before or on 2pm on a Business Day, the application will be processed on that Business Day. This means you will receive the application price calculated for that Business Day, and
- after 2pm on a Business Day, the application will be processed on the next Business Day. This means you will receive the application price calculated for the next Business Day.

APPLICATION TERMS

We will only start processing an application if:

- we consider that you have correctly completed the Application Form;
- you have provided us with the relevant identification documents, and we have received the application money (in cleared funds) stated in your Application Form. The time it takes for application money to clear varies depending on how you transfer the money and your bank (it may take up to four Business Days).

We reserve the right to accept or reject applications in whole or in part at our discretion and delay processing of applications where we believe this to be in the best interest of all the relevant Fund's investors, without giving any reason.

1. INVESTING IN A SGH FUND (CONTINUED)

COOLING-OFF RIGHTS

If you are a Retail Client you may have a right to 'cool off' in relation to an investment in the Fund within 14 days or the earlier of:

- confirmation of the investment being received or available; and
- the end of the fifth Business Day after the units are issued or sold.

A Retail Client may exercise this right by notifying EQT in writing. A Retail Client is entitled to a refund of their investment adjusted for any increase or decrease in the relevant Application Price between the time we process your application and the time we receive the notification from you, as well as any other tax and other reasonable administrative expenses and transaction costs associated with the acquisition and termination of the investment.

The right of a Retail Client to cool off does not apply in certain limited situations, such as if the issue is made under a distribution reinvestment plan, switching facility or represents additional contributions required under an existing agreement. Also, the right to cool off does not apply to you if you choose to exercise your rights or powers as a unit holder during the 14 day period, this could include selling part of your investment or switching it to another product.

2. MANAGING YOUR INVESTMENT

AUTHORISED SIGNATORIES

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the initial Application Form and have them sign the relevant sections. If a company is appointed, the powers extend to any director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

Once appointed, your authorised signatory has full access to operate your investment account for and on your behalf. This includes the following:

- making additional investments;
- requesting income distribution instructions to be changed;
- withdrawal all or part of your investment;
- changing bank account details;
- enquiring and obtaining copies of the status of your investment; and
- having online access to your investment account information.

If you do appoint an authorised signatory:

- you are bound by their acts;
- you release, discharge and indemnify us from and against any losses, liabilities, actions, proceedings, account claims and demands arising from instructions received from your authorised representatives; and
- you agree that any instructions received from your authorised representative shall be complete satisfaction of our obligations, even if the instructions were made without your knowledge or authority.

REPORTS

We will make the following statements/reports available to all investors;

- a transaction confirmation statement, showing a change in your unit holding (provided when a transaction occurs or on request);
- distribution statements issued in line with the distribution frequency of the Fund in which you invest;
- the relevant Fund's half-yearly financial account (if applicable);
- the relevant Fund's annual audited accounts for each period ended 30 June; and
- annual tax and confirmation of holdings statements for each period ended 30 June.

3. WITHDRAWING YOUR INVESTMENT

WITHDRAWING CUT-OFF TIMES

All withdrawal requests received by 2pm on a Business Day will be processed that day based on the applicable Withdrawal Price for that Business Day. Any withdrawal request received after that time will be treated as having been received the following Business Day.

WITHDRAWAL TERMS

When you are withdrawing, you should take note of the following:

- We are not responsible or liable if you do not receive, or are late in receiving, any withdrawal money that is paid according to your instructions.
- We may contact you to check your details before processing your withdrawal form. This may cause a delay in finalising payment of your withdrawal money. No interest is payable for any delay in finalising payment of your withdrawal money.
- If we cannot satisfactorily identify you as the withdrawing investor, we may refuse or reject your withdrawal request or payment of your redemption proceeds will be delayed. We are not responsible for any loss you consequently suffer.
- As an investor who is withdrawing, you agree that any payment made according to instructions received by post or courier, email or fax, shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made at the request of your authorised representative without your knowledge or authority.
- You agree that if the payment is made according to these terms, you and any person claiming through or under you, shall have no claim against us about the payment.

WITHDRAWAL RESTRICTIONS

Under Australian securities law (the Corporations Act), you do not have a right to withdraw from a Fund if the Fund is illiquid. In such circumstances you can only withdraw where EQT makes a withdrawal offer in accordance with the Corporations Act. EQT is not obliged to make such offers.

A Fund will be liquid if at least 80% of its assets are liquid assets (generally cash and marketable securities). In addition, if EQT is unable to repatriate funds to meet redemption payments, it may suspend the calculation of the net asset value and withhold withdrawal proceeds.

4. ADDITIONAL RISKS OF MANAGED INVESTMENT SCHEMES

The following risks are of a general nature and apply generally to investments in managed funds. You must also read the significant risks specific to the Fund in which you wish to invest. These are disclosed in each Fund's PDS.

FUND RISK

As with all managed funds, there are risks particular to the Fund, including the possibility it could terminate or that the fees and expenses could change. There is also a risk that investing in the Fund may give different results than investing directly in the securities.

INFLATION RISK

Inflation risk is the risk that returns will not be sufficiently higher than inflation to enable an investor to meet their financial goals.

INTEREST RATE RISK

Changes in official interest rates can directly and indirectly impact on investment returns. Generally, an increase in interest rates has a contractionary effect on the state of the economy and the valuation of securities. For example, rising interest rates can have a negative impact on a company's value as increased borrowing costs may cause earnings to decline. As a result, the company's share price may fall.

ISSUER RISK

The value of investments can vary because of changes to an issuer's management, product distribution or business environment.

LEGAL RISK

There is a risk that laws, including tax laws, might change or become difficult to enforce.

LIQUIDITY RISK

There may be times when securities may not be readily sold (for example, in a falling market where some traded securities may become less liquid). However, trading volumes of stock are generally sufficient to satisfy liquidity requirements when necessary. The Investment Manager has attempted to mitigate the liquidity risk factor by ensuring the Fund has sufficient cash exposure to meet liquidity requirements. Note that neither the Responsible Entity nor the Investment Manager guarantees the liquidity of the investments of the Fund.

MANAGEMENT RISK

Each Fund is subject to management risk because it is an actively managed investment portfolio. The Investment Manager will apply investment techniques and risk analyses in making investment decisions for the Funds, but there can be no guarantee that these will produce the desired results.

MARKET RISK

Changes in legal and economic policy, political events, technology failure, economic cycles, investor sentiment and social climate can all directly or indirectly create an environment that may influence (negatively or positively) the value of your investment in the Fund. In addition, a downward move in the general level of the equity market can have a negative influence on the performance of the Fund.

5. PERFORMANCE FEE

Important note: The PDS for each Fund explains whether a performance fee is applicable to that Fund. Not all Funds charge a performance fee.

Units in the SGH ICE - Professional Investor are subject to the performance fee detailed in section 6. Fees and costs of the PDS for the SGH ICE - Professional Investor.

EQT does not consider there is any reasonable basis on which it may estimate performance fee expenses for the Fund. To estimate performance fee expenses would involve speculation about the return of the Fund against the Fund's performance hurdle. EQT therefore considers that to estimate performance fee expenses may potentially be misleading.

ADDITIONAL EXPLANATION OF SGH ICE -PROFESSIONAL INVESTOR PERFORMANCE FEE

Where the aggregate amount of the daily performance fee amounts is negative, no performance fee will be reflected in the daily unit price and no performance fee will accrue until the total of the aggregate amount of the daily performance fee amount for the current Performance Fee Period and the negative balance carried forward from previous Performance Fee Periods is a positive amount.

If the aggregate of the daily performance fee amounts at the end of a Performance Fee Period is a positive amount, this positive amount is accrued as an expense and is deducted from the assets of the Fund at the end of each Performance Fee Period. The amount of the performance fee expense is paid to the Investment Manager.

Where the aggregate daily performance fee amount for a Performance Fee Period is negative, no performance fee expense will be paid to the Investment Manager, and the negative balance will be carried forward to the next Performance Fee Period.

EXAMPLE OF HOW THE PERFORMANCE FEE MAY AFFECT YOUR INVESTMENT IN THE SGH ICE -PROFESSIONAL INVESTOR

The following is an example of the performance fee expense for a 12 month period ending 30 June ("Performance Fee Period") payable on units of the SGH ICE Fund. Terms referred to below have the same meaning as detailed in section 6. Fees and costs of the PDS for the Fund.

Assumptions:

- The percentage movement in the S&P/ASX 300 Accumulation Index from the start of the Performance Fee Period to the end of the Performance Fee Period is 6%;
- the Fund's performance hurdle for the Performance Fee Period is 7.2%;
- the Fund's 'investment return' for the Performance Fee Period is 8%;
- the Fund's 'investment return' for the Performance Fee Period is assumed to accrue evenly over the course of the Performance Fee Period;
- the Fund's 'investment return' with reference to which the performance fee is calculated is a return prior to any deduction for Management costs; and
- there is no negative performance fee amounts for previous Performance Fee Periods to be carried forward.

On the basis of the above assumptions and if you had an investment in the Fund of \$50,000 at the beginning of the Performance Fee Period and no withdrawals were effected during the Performance Fee Period, your investment would bear a performance fee expense of approximately \$61.50 (Based on outperformance of 0.80% above 'Performance Hurdle' x Performance Fee 15.375% x \$50,000 investment = \$61.50) for the Performance Fee Period.

Please note that the 'investment return' specified in this example:

- is only an example to assist investors to understand the effect of the performance fee expense on the investment return of the Fund; and
- is not a forecast of the expected investment return for the Fund.

6. ENQUIRIES AND COMPLAINTS

KEEPING IN TOUCH

If you have an enquiry regarding the management of a Fund that you have invested in, please contact:

FundBPO
Unit Registry
GPO Box 4968
Sydney, NSW, 2001
Phone: 1300 133 451
Fax: 02 9251 3525
Email: SGHinvestorservices@fundbpo.com
Website: www.fundbpo.com

MAKING A FORMAL COMPLAINT

If you are not completely satisfied with any aspect of the services regarding the management of the relevant Fund, please contact EQT. EQT seeks to resolve potential and actual complaints over the management of the Fund to the satisfaction of investors. If you wish to lodge a formal complaint please write to:

Complaints Officer – Enterprise Risk
Equity Trustees Limited
GPO Box 2307
Melbourne VIC 3001
Email: compliance@eqt.com.au
Telephone: 1300 555 378

EQT will seek to resolve any complaint and will respond as soon as possible and in any case will respond within 14 days of receiving the letter. We will seek to resolve your complaint as soon as practicable but not longer than 45 days after receiving the complaint.

THE FINANCIAL OMBUDSMAN SERVICE (FOS)

If we are unable to resolve your complaint, you may be able to seek assistance from FOS.

Financial Ombudsman Services
GPO Box 3
Melbourne Vic 3001
Telephone : 1300 780 808 (Australia) or +613 9613 7366
Email: info@fos.org.au

Please include the EQT FOS membership number with your enquiry: 10395.

FOS is an independent body that may be able to assist you if EQT cannot. FOS may not consider a dispute where the value of a person's claim exceeds \$500,000 (unless all parties to the dispute and FOS agree otherwise). The maximum total value of the remedy that may be decided upon by FOS is \$280,000 per managed investment claim (excluding compensation for costs and interest payments).

7. OTHER IMPORTANT INFORMATION

YOUR PRIVACY

When you provide information to EQT and/or its related bodies corporate, EQT may be collecting personal information about you. You must ensure that all personal information which you provide to EQT is true and correct in every detail, and should your personal details change it is your responsibility to ensure that you promptly advise EQT of the changes in writing. This information is needed to facilitate, administer and manage your investment, and to comply with Australian taxation laws and other laws and regulations. Otherwise, your application may not be processed or EQT and its delegates will not be able to administer and/or manage your investment.

The information that you provide may be disclosed to certain organisations, including but not limited to:

- the ATO, AUSTRAC and/or other government or regulatory bodies;
- your financial adviser or adviser dealer group, their service providers and/or any joint holder of an investment;
- those providing, administering and/or managing the Fund, including the Investment Manager, the administrator, custodian, auditors, or those that provide mailing or printing services; and
- those where you have consented to the disclosure and/or as required by law.

The organisations to which EQT and its agents disclose your information may be situated in Australia or offshore though it is not practicable to list all of the countries in which such recipients are likely to be located.

EQT or the Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. Should you not wish to receive this information from EQT or the Investment Manager (including by email or electronic communication), you have the right to “opt out” by advising EQT by telephoning +613 8623 5000, or alternatively by contacting us via email at privacy@eqt.com.au.

Subject to some exceptions allowed by law, you can ask for access to your personal information. We will give you reasons if we deny you access to this information. EQT’s Privacy Statement outlines how you can request to access and seek the correction of your personal information. EQT’s Privacy Statement is available at www.eqt.com.au and can be obtained by contacting EQT’s Privacy Officer on +613 8623 5000, or alternatively by contacting us via email at privacy@eqt.com.au.

EQT’s Privacy Statement contains information about how you can make a complaint if you think there has been a breach of your privacy and about how EQT will deal with your complaint.

You should refer to EQT’s Privacy Statement for more detail about the personal information that EQT collects and how EQT collects, uses and discloses your personal information.

THE CONSTITUTION

Each Fund is governed by a constitution (“Constitution”) that sets out how the Fund must operate, and together with the PDS, the Corporations Act and other laws, regulates the responsible entity’s legal relationship with investors. If you invest in a Fund, you agree to be bound by the terms of the PDS and the Constitution. You can request a copy of the Constitution, free of charge. Please consider these documents before investing in the Fund.

We may amend the Constitutions from time to time in accordance with the provisions in the Constitutions and the Corporations Act.

ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING (AML/CTF)

Australia’s AML/CTF laws require EQT to adopt and maintain an Anti-Money Laundering and Counter Terrorism Financing program. A fundamental part of the AML/CTF program is that EQT knows certain information about investors in the Funds.

To meet this legal requirement, we need to collect certain identification information and documentation (KYC Documents) from new investors. Existing investors may also be asked to provide KYC Documents as part of a re-identification process to comply with the AML/CTF laws. Processing of applications or redemptions will be delayed or refused if investors do not provide the KYC Documents when requested.

Under the AML/CTF laws, EQT may be required to submit reports to AUSTRAC. This may include the disclosure of your personal information. EQT may not be able to tell you when this occurs and, as a result, AUSTRAC may require EQT to deny you (on a temporary or permanent basis) access to your investment. This could result in loss of the capital invested, or you may experience significant delays when you wish to transact on your investment.

Neither EQT nor the Investment Manager for the Fund you are investing in are liable for any loss you may suffer because of compliance with the AML/CTF laws.

INFORMATION ON UNDERLYING INVESTMENTS

Information regarding the underlying investments of the Fund will be provided to an investor of the Fund on request, to the extent EQT is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

FATCA

Each Fund is required to comply with the US Foreign Account Tax Compliance Act (“FATCA”). To comply with these requirements, each Fund will collect certain additional information from you and will disclose such information to the ATO or the US Internal Revenue Service, where required.

8. GLOSSARY

ATO

Australian Taxation Office

AUSTRAC

Australian Transaction Reports and Analysis Centre

Business Day

A day other than a Saturday or Sunday on which banks are open for general banking business in Melbourne

Corporations Act

The Corporations Act 2001 (Cth) and Corporations Regulations 2001 (Cth) and as amended from time to time.

GST

Goods and Services Tax

RITC

Reduced input tax credit. EQT will apply for reduced input tax credits where applicable to reduce the cost of GST to a Fund.

US Person

A person so classified under securities or tax law in the United States of America ("US") including, in broad terms, the following persons:

- (a) any citizen of, or natural person resident in, the US, its territories or possessions; or
- (b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or
- (c) any agency or branch of a foreign entity located in the US; or
- (d) a pension plan primarily for US employees of a US Person; or
- (e) a US collective investment vehicle unless not offered to US Persons; or
- (f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or
- (g) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or
- (h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or
- (i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

We, us

Refers to EQT and / or Investment Manager.

Wholesale Client and Retail Client

Persons or entities defined as such under section 761G of the Corporations Act.

You, Your

Refers to an investor.