

Plato Income Maximiser Limited

ACN 616 746 215

Prospectus

Offer of up to 200,000,000 Shares and Options (with the ability to accept Applications for up to a further 100,000,000 Shares and Options in Oversubscriptions)

Important Information

This Prospectus contains important information for you as a prospective investor and requires your immediate attention. It should be read in its entirety. If you have any questions as to its contents or the course you should follow, please consult your stockbroker, accountant, solicitor or other professional adviser immediately.

Lead Arranger and Joint Lead Manager:



AFS Licence 238814

Joint Lead Managers:



AFS Licence 237121



AFS Licence 247083

Co-Managers:



AFS Licence 238383



FinEx
AFS Licence 246842

Important Notices

This Prospectus (**Prospectus**) is dated 1 March 2017 and was lodged with the Australian Securities & Investments Commission (**ASIC**) on that date. It is issued by Plato Income Maximiser Limited (ACN 616 746 215) (**Company**) and is an invitation to apply for up to 200,000,000 Shares at an Application Price of \$1.10 per Share together with an entitlement to 1 Option for every Share subscribed for (with each Option exercisable at \$1.10 on or before 29 April 2019) (with the ability to accept Applications for up to a further 100,000,000 Shares and Options in oversubscriptions). None of ASIC, ASX or their respective officers take responsibility for the contents of this Prospectus.

This document is important and requires your immediate attention. It should be read in its entirety. You may wish to consult your professional adviser about its contents.

No Securities (other than Shares to be issued on the exercise of Options) will be issued on the basis of this Prospectus later than the expiry date of this Prospectus, being the date 13 months after the date of this Prospectus.

ASX Listing

The Company will apply within 7 days after the date of this Prospectus for admission to the official list of ASX and for the Securities to be quoted on ASX.

The fact that ASX may admit the Company to the official list and quote the Securities is not to be taken in any way as an indication of the merits of the Company. Neither the ASX nor its officers take any responsibility for the contents of this Prospectus. If granted admission to the ASX, quotation of the Securities will commence as soon as practicable after holding statements are dispatched.

The Company does not intend to issue any Securities unless and until the Securities have been granted permission to be quoted on the ASX on terms acceptable to the Company. If permission is not granted for the Securities to be quoted before the end of 3 months after the date of this Prospectus or such longer period permitted by the Corporations Act or with the consent of ASIC, all Application Monies received under the Prospectus will be refunded without interest to Applicants in full within the time prescribed by the Corporations Act.

Exposure Period

Pursuant to the Corporations Act, this Prospectus is subject to an exposure period of 7 days after the date of the Prospectus, which may be extended by ASIC by a further period of up to 7 days (**Exposure Period**).

The Exposure Period enables this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus.

Application Forms received prior to the expiration of the Exposure Period will not be processed until after the Exposure Period. No preference will be conferred on Application Forms received during the Exposure Period and all Application Forms received during the Exposure Period will be treated as if they were simultaneously received on the Opening Date.

Intermediary Authorisation

The Company does not hold an Australian Financial Services Licence (**AFSL**) under the Corporations Act. Accordingly, offers under this Prospectus will be made under an arrangement between the Company and Commonwealth Securities Limited, the holder of an AFSL (**Authorised Intermediary**) under Section 911A(2)(b) of the Corporations Act. The Company will only authorise the Authorised Intermediary to make offers to people to arrange for the issue of Securities by the Company under the Prospectus and the Company will only issue Securities in accordance with such offers if they are accepted.

The Joint Lead Managers will manage the Offer on behalf of the Company. The Joint Lead Managers are Commonwealth Securities Limited (**Lead Arranger**), Ord Minnett Limited and Taylor Collison Limited. The Co-Managers are Wilsons Advisory and Stockbroking Limited and FinClear Execution Ltd.

The Lead Arranger's, Authorised Intermediary's, Joint Lead Managers' and Co-Managers' functions should not be considered as an endorsement of the Offer, nor a recommendation of the suitability of the Offer for any investor. None of the Joint Lead Managers or Co-Managers guarantee the success or performance of the Company or the returns (if any) to be received by investors. None of the Joint Lead Managers or Co-Managers are responsible for, or have caused the issue of, this Prospectus.

Investment Decision

Applicants should read this Prospectus in its entirety before deciding to apply for Securities. This Prospectus does not take into account your individual investment objectives, financial situation or any of your particular needs. You should seek independent legal, financial and taxation advice before making a decision whether to invest in the Company.

An investment in this Company carries risks. An outline of some of the risks that apply to an investment in the Company is set out in Section 6. Applicants are urged to consider this Section of the Prospectus carefully before deciding to apply for Securities.

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained or taken to be contained may not be relied on as having been authorised by the Company in connection with the Offer.

Forward Looking Statements

This Prospectus contains forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. These forward looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward looking statements.

While the Company believes that the expectations reflected in the forward looking statements in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors set out in Section 6, as well as other matters as yet not known to the Company or not currently considered material by the Company, may cause actual results or events to be materially different from those expressed, implied or projected in any forward looking statements. Any forward looking statement contained in this Prospectus is qualified by this cautionary statement.

Prospectus

An electronic version of this Prospectus (**Electronic Prospectus**) can be downloaded from www.plato.com.au. The Offer or invitation to which the Electronic Prospectus relates is only available to persons receiving the Electronic Prospectus in Australia.

The Company will also send a copy of the paper Prospectus and paper Application Form free of charge if requested before the Offer closes.

If you download the Electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by a copy of the Application Form. The Securities to which the Electronic Prospectus relates will only be issued to Applicants who complete the Application Form accompanying the Prospectus and submit that form to the Company together with Application Monies.

How to Apply

You can only make an Application for Securities under the Offer by completing and submitting an Application Form. You can find detailed instructions on completing the Application Form on the back of the paper Application Form. You will be provided with prompts and instructions to assist you to complete the electronic Application Form.

Applications must be for a minimum of 5,000 Shares at \$1.10 each (i.e. for a minimum subscription amount of \$5,500) and 5,000 Options. A larger number of Shares and Options may be applied for in multiples of 100 Shares and Options.

Applications

Applications and Application Monies for Securities under the Offer received after 5:00 p.m. (Sydney time) on the Closing Date will not be accepted and will be returned to potential investors.

Applications must be accompanied by payment in Australian currency.

Cheques in respect of Applications should be made payable to "Plato Income Maximiser Limited" and crossed "Not Negotiable".

No stamp duty is payable by Applicants.

Application Forms

Completed paper Application Forms, together with Application Monies, should be forwarded to the following address:

By Mail

Plato Income Maximiser Limited

c/- Boardroom Pty Limited

GPO Box 3993

Sydney NSW 2001

Hand Delivered:

Plato Income Maximiser Limited

c/- Boardroom Pty Limited

Level 12, 225 George Street

Sydney NSW 2000

Alternatively, Applicants can apply online at www.plato.com.au and pay their Application Price by BPAY.

When to Apply

Completed Application Forms and Application Monies under the Offer must be received by 5:00 pm (Sydney time) on the Closing Date. The Directors may close the Offer at any time without prior notice or extend the period of the Offer in accordance with the Corporations Act.

The Directors reserve the right to allocate any lesser number of Shares and Options than those for which the Applicant has applied. Where the number of Shares allotted is fewer than the number applied for, surplus Application Monies will be refunded without interest.

Glossary of Terms

Defined terms and abbreviations included in the text of this Prospectus are set out in Section 13.

Highlights of the Offer

Important Dates

Lodgement of Prospectus with ASIC	1 March 2017
Offer expected to open	9am on 9 March 2017
Broker Firm Offer expected to close	5pm on 13 April 2017
Priority Allocation expected to close	5pm on 21 April 2017
General Offer expected to close	5pm on 21 April 2017
Expected date of allotment / date of dispatch of holding statements	By 12pm on 1 May 2017
Securities expected to commence trading ASX	5 May 2017
Options expiry date	29 April 2019

The above dates are subject to change and are indicative only and times are references to Sydney time. The Company reserves the right to amend this indicative timetable subject to the Corporations Act and the ASX Listing Rules. In particular, the Company reserves the right to close the Offer early, extend the Closing Date or accept late Applications.

Key Offer Statistics

Company	Plato Income Maximiser Limited ACN 616 746 215
Proposed ASX codes	Shares: PL8 Options: PL8O
Securities offered	Shares 1 Option for every Share issued under the Offer
Minimum number of Shares and Options available under the Offer	68,181,818 Shares 68,181,818 Options
Minimum proceeds from the Offer (before exercise of any Options)	\$75,000,000
Maximum number of Securities available under the Offer (before Oversubscriptions)	200,000,000 Shares 200,000,000 Options
Maximum proceeds from the Offer (before Oversubscriptions and the exercise of any Options)	\$220,000,000
Maximum number of Securities available under the Offer assuming Oversubscriptions are fully subscribed (before the exercise of any Options)	300,000,000 Shares 300,000,000 Options
Maximum proceeds from the Offer assuming Oversubscriptions are fully subscribed (before the exercise of any Options)	\$330,000,000
Application Price per Share	\$1.10
Option exercise price	\$1.10

Key Offer Statistics

Pro forma Net Asset Value (NAV) backing per Share if the Minimum Subscription amount is raised (based on pro forma balance sheet set out in Section 7.2).	\$1.075
Pro forma NAV backing per Share if the Maximum Subscription amount is raised (before oversubscriptions) (based on pro forma balance sheet set out in Section 7.2).	\$1.079
Pro forma NAV backing per Share if the maximum subscription amount and \$110,000,000 in over subscriptions is raised (based on pro forma balance sheet set out in Section 7.2).	\$1.080

Enquiries

Investors with questions relating to the Offer or who require additional copies of the Prospectus should contact the Company, on 1300 010 311 or via email to invest@plato.com.au.

Table of Contents

1.	Offer Summary	3
2.	Details of the Offer.....	15
3.	Overview of investing in Australian equities for income	22
4.	About the Company.....	24
5.	About the Manager and the Plato Fund	31
6.	Risk Factors.....	42
7.	Financial Position of the Company.....	47
8.	Investigating Accountant's Report.....	54
9.	Directors of the Company.....	58
10.	Material Contracts	63
11.	Additional Information	73
12.	Plato Fund Portfolio holdings as at 31 January 2017.....	79
13.	Definitions and Interpretation	82

Chairman's Letter



1 March 2017

Dear Investor,

On behalf of the Directors of the Company, it is my pleasure to invite you to become a shareholder in Plato Income Maximiser Limited (**Company**), a new listed investment company. The Company has been established to provide its shareholders the opportunity to benefit from an investment in an actively managed, well-diversified portfolio of Australian listed equities, that aims to:

- (i) generate annual income (including franking credits) in excess of the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt) (**Benchmark**); and
- (ii) outperform (after fees) the Benchmark in total return terms including franking credits over each full investment cycle (which the Manager considers to be a period of typically 3 to 5 years).

The Company aims to pay regular monthly dividends (once it has sufficient profit reserves and provided each payment is permitted by law and within prudent business practice to do so). This is not intended to be a forecast; it is merely a statement of the future intentions. The Company may not be successful in achieving this aim.

The Company's investment strategy will be implemented by Plato Investment Management Limited (**Manager**), through an investment in the Plato Australian Shares Income Fund (**Plato Fund**). The Plato Fund is a managed investment scheme, managed by the Manager using the same investment strategy as the Company. Implementing the strategy in this way is aimed at helping the Company achieve its dividend objective (see page 6 on Section 1 "*Why is the Company investing in the Plato Fund?*" for further details).

The Board believes that there is considerable demand for a professionally managed enhanced income product. This demand is being led by an ageing population that is approaching and entering retirement, and the scarcity of adequately diversified high income securities particularly in the listed market.

Expansive monetary policy has driven cash rates down to unprecedented levels, and an unintended impact has been on the income and returns of many traditional income securities. Most notably overnight cash rates have fallen to a record low of 1.5% per annum in Australia, and zero to negative in many developed markets. This is at a time when retiring baby boomers are looking to live off the income from their investments, and the Board believes that investors are increasingly searching for income investments to supplement the incomes of these portfolios.

The Company will subscribe for F class units in the Plato Fund (**F Class Units**), being a class of units on which no fees will be payable to the Manager or the responsible entity of the Plato Fund. Whilst past performance is no guarantee of future performance, the Plato Fund has delivered an average gross yield of 9.0% per annum and an accumulated total return including franking of 14.0% per annum since inception (9 September 2011) to 31 December 2016¹. For further information on the Plato Fund, including its past performance, see Section 5 and for a snap shot of the Plato Fund's investment portfolio as at 31 January 2017 see Section 4.7 and Section 12.

The Manager has a specialisation in managing high income equity portfolios, including the Plato Fund. The Manager was founded by Don Hamson in 2006 and presently manages approximately

¹ The performance of the Plato Fund is calculated after ongoing fees and expenses (but excluding taxation) and including franking credits (valued from the perspective of a tax exempt investor).

\$3.5 billion for investors as at 31 January 2017. Don Hamson oversees a team of seven investment specialists with collective investment experience of over 130 years.

The Company is seeking to raise up to \$220,000,000 under the Offer (with the ability to accept up to \$110,000,000 in Oversubscriptions) and to obtain a listing on the ASX. The issue price under the offer is \$1.10 per Share. In addition, Applicants will receive, for no additional consideration, one option for every Share issued to them under the Offer (each Option will be exercisable at \$1.10 any time after issue until 29 April 2019). See Section 2 for details about the Offer and how you can apply. The Offer is open to investors in Australia with a priority allocation available for certain eligible participants (details are set out in Section 2.3).

Like all investments, an investment in the Company carries risk. Key risks include investment strategy risk, manager risk, market risk, equity risk, responsible entity risk, liquidity risk, legislative risk and counterparty risk. Further details of the risks associated with an investment in the Company are set out in Section 6. You should consider these risks carefully before making your investment decision.

You are encouraged to read this document thoroughly before making your investment decision. It contains detailed information about the Company, its strategy and key risks associated with the Company and the offer of shares and options.

I look forward to welcoming you as a Shareholder.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jonathan Trollip', written in a cursive style.

Jonathan Trollip
Chairman

1. Offer Summary

This is a summary only. This Prospectus should be read in full before making any decision to apply for Shares.

Question	Answer	More Information
A. Key investment highlights and key risks		
What are the benefits of the Offer	<p>Plato Income Maximiser Limited (Company) has been established to provide investors with the opportunity to benefit from an investment in an actively managed, well-diversified portfolio of Australian listed equities that aims to:</p> <ul style="list-style-type: none"> (i) generate annual income (including franking credits) in excess of the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt) (Benchmark);² and (ii) outperform (after fees) the Benchmark in total return terms including franking credits over each full investment cycle (which the Manager considers to be a period of typically 3 to 5 years).³ <p>The Company's Investment Strategy will be implemented by Plato Investment Management Limited (Manager). The Company will seek to achieve its investment objectives by investing in an unlisted registered managed investment scheme managed by the Manager called the Plato Australian Shares Income Fund (ARSN 152 590 157) (Plato Fund).</p> <p>The Manager has significant experience managing equity and equity income portfolios and has successfully managed the Plato Fund since inception.</p>	Sections 4 and 5
What is the business model of the Company?	<p>The Company is a newly incorporated company which has not conducted any business to date.</p> <p>The Company's Investment Strategy is to invest (directly or indirectly) in a portfolio predominately comprised of ASX listed entities, as well as listed SPI futures and cash. The Investment Strategy seeks to provide capital growth and income. See Section 4 for further details on the Company's investment objectives.</p> <p>The Company will seek to achieve its investment objectives by investing in the Plato Fund. The Company will subscribe for F Class Units, being a class of units which have materially the same rights as ordinary units but on which no fees will be payable to the Manager or the responsible entity of the Plato Fund.</p> <p>The Manager employs the Investment Strategy described in this Prospectus in managing the Plato Fund. The Plato Fund has the same investment objectives as the Company. Further detail on the Plato Fund's permitted investments is provided in Section 4.8.</p> <p>Shareholders in the Company will receive the benefit of income and profits generated by the Plato Fund's investments through distributions paid to the Company as a Plato Fund unitholder.</p> <p>In the event that the Plato Fund's investment objectives or investment strategy is no longer consistent with those of the</p>	Section 4

² In this Prospectus, references to the Company's aim to "generate income" as part of the Company's investment objectives or Investment Strategy should be read as including franking credits.

³ In this Prospectus, references to the Company's aim to "outperform the Benchmark" as part of the Company's investment objectives or Investment Strategy should be read as including franking credits and after fees over each full investment cycle (which the Manager considers to be a period of typically 3 to 5 years).

Question	Answer	More Information
	<p>Company or the Investment Management Agreement is terminated, the Company would consider alternative avenues to meet the investment objectives of the Company, such as investing directly in Australian listed equities, SPI futures and cash or investing in another managed investment scheme that shares the Company's investment objectives.</p>	
<p>Will the Company pay dividends?</p>	<p>One of the investment objectives of the Investment Strategy is to generate income (including franking credits) on an annual basis in excess of the Benchmark.</p> <p>Once the Company has built up sufficient profits, the Board aims for the Company to be able to pay regular monthly dividends from available profits, provided it has sufficient profit reserves, and it is permitted by law and within prudent business practice to do so. The Board will consider in July 2017 whether the Company is in a position to start paying dividends. This is not intended to be a forecast, it is merely a statement of the future intentions of the Company. The Company may not be successful in meeting its dividend objective.</p> <p>The declaration of dividends by the Company is at the full discretion of the Board. In declaring dividends the Board will also have regard to cash flow and franking credits in addition to the matters set out above.</p> <p>While the Company is invested in the Plato Fund, the Company's profits will be derived from distributions it receives from the Plato Fund. The Plato Fund Constitution requires the Responsible Entity to distribute all distributable income at least annually (at the end of each financial year). The amount of any distribution paid to unitholders (including the Company) in the Plato Fund over the course of each financial year is however at the discretion of the Responsible Entity. The Responsible Entity has confirmed to the Company that it intends to pay distributions at least quarterly, subject to the Plato Fund having sufficient distributable income.</p>	<p>Sections 4.9</p>
<p>What are the key risks associated with the business model and the Offer?</p>	<p>The Company's investment activities will expose it to a variety of risks. The key risks identified by the Company include:</p> <ul style="list-style-type: none"> ➤ <i>Investment Strategy risk:</i> The success and profitability of the Company will largely depend upon the ability of the Manager to implement the Investment Strategy in a manner which generates a return for the Company. The past performance of the Plato Fund is not a guide to future performance of the Plato Fund, the Investment Strategy or the Company. There are risks inherent in the Investment Strategy that the Manager will employ for the Company. ➤ <i>Manager risk:</i> The Manager's continued ability to implement the Investment Strategy in a manner that complies with the Company's objectives, strategies, policies, guidelines and permitted investments is of fundamental importance to the performance of the Company. Should the Manager become unable to perform investment management services for the Company or the Plato Fund, should the Manager be replaced as the manager of the Plato Fund by the Responsible Entity or should there be significant key personnel changes at the Manager, the Company's investment activities may be disrupted and its performance negatively impacted. Even if the Company does not perform well, it may be difficult to remove 	<p>Investors should read these risks together with the other risks described in Section 6</p>

Question	Answer	More Information
	<p>the Manager.</p> <ul style="list-style-type: none"> ➤ Market risk: The Plato Fund's investment portfolio (Plato Fund Portfolio) will be exposed to market risk. The market value of assets in the Plato Fund Portfolio can fluctuate as a result of market conditions. The value of the Plato Fund Portfolio may be impacted by factors such as economic conditions, interest rates, regulations, sentiment and geopolitical events as well as environmental, social and technological changes. ➤ Equity risk: As the Company will be listed on the ASX, the Securities will be exposed to market risks. As a result, the Share price may trade at a discount or a premium to the Company's NTA. ➤ Responsible Entity risk: As the Company will invest in the Plato Fund, it will be subject to the risk that the Responsible Entity does not properly perform its duties or breaches applicable law, which might adversely impact the value of the Company's F Class Units or the value of the Plato Fund Portfolio as a whole. ➤ Liquidity risk: The Plato Fund Portfolio and the Securities are each subject to liquidity risk as follows: <ul style="list-style-type: none"> • The Company is exposed to liquidity risk in relation to the investments within the Plato Fund Portfolio. If a security cannot be bought or sold quickly enough to minimise potential loss, the value of the Plato Fund Portfolio and the Company's F Class Units may be adversely affected. • The Plato Fund is an unlisted managed investment scheme. Accordingly, the Company can only exit its investment in the Plato Fund by redeeming its F Class Units. Any delay by the Responsible Entity in executing a redemption request issued by the Company, may adversely impact the Company. The Company notes that under the Plato Fund Constitution the Responsible Entity may not suspend redemptions for longer than 30 days. • The Securities are also exposed to liquidity risk. The ability of an investor in the Company to sell their Securities on the ASX will depend on the turnover or liquidity of the Securities at the time of sale. Therefore, investors may not be able to sell their Securities at the time, in the volumes or at the price they desire. ➤ Regulatory risk: All investments carry the risk that their value may be affected by changes in laws and regulations, especially taxation laws. Regulatory risk includes risk associated with variations in the taxation laws of Australia, such as changes to franking credits. The Manager's portfolio construction process aims to maintain a well diversified portfolio of companies which assists to minimise security specific regulatory risk. ➤ Counterparty risk: The Company and the Plato Fund are each subject to counterparty risk as follows: <ul style="list-style-type: none"> • The Company will outsource key operational functions including investment management, company secretarial and administration to service providers. • The Responsible Entity outsources key operational functions for the Plato Fund including investment management, custody, administration and valuation to a 	

Question	Answer	More Information
	<p>number of third party service providers.</p> <p>There is a risk that one or more of these counterparties may intentionally or unintentionally breach their obligations to either the Company or the Responsible Entity causing loss to the Company.</p>	
B. Key information about the Portfolio and Investment Strategy		
What is the Company's Investment Strategy?	<p>The Company has been established to provide investors with the opportunity to benefit from an investment in an actively managed, well-diversified portfolio predominately comprised of Australian listed equities, as well as cash and SPI futures.</p> <p>The Investment Strategy, which will be implemented by the Manager, aims to both generate annual income in excess of the Benchmark as well as outperform the Benchmark in total return terms over each full investment cycle.</p> <p>The Manager will implement the Investment Strategy for the Company via an investment in the Plato Fund.</p> <p>The Company will subscribe for F Class Units, being a class of units which have materially the same rights as ordinary units but on which no fees will be payable to the Manager or the Responsible Entity.</p>	Section 4.4
What is the Plato Fund?	<p>The Plato Fund is an unlisted long-only equity income fund managed by the Manager using the same investment strategy as the Company.</p> <p>The Plato Fund was established in August 2011 as a registered managed investment scheme and is operated by Pinnacle Fund Services Limited as responsible entity.</p> <p>The directors of the Responsible Entity are:</p> <ul style="list-style-type: none"> (a) Ian Macoun; (b) Alex Ihlenfeldt; (c) Andrew Findlay; and (d) Calvin Kwok. <p>The historical performance of the Plato Fund, although not necessarily indicative of its future performance, is set out in Section 5.4.</p>	Sections 5.2 and 5.4
Why is the Company investing in the Plato Fund?	<p>The proposed structure of investing via the Plato Fund is to provide greater confidence around the Company's ability to pay a monthly franked dividend.</p> <p>Due to the active nature of the Investment Strategy, if the Company invested directly in Australian listed securities, cash and SPI futures (rather than indirectly through the Plato Fund), the Company would be accounted for as an active trading investment strategy under the Accounting Standards with all realised and unrealised market value movements directly impacting the net profit after tax. By having a long term investment in the Plato Fund, the Company will account for all distributions through the profit and loss statement and any realised and unrealised market value movements in the Plato Fund will be recorded in reserves and excluded from net profit after tax. This creates greater confidence about available profits from which</p>	

Question	Answer	More Information
	to source payment of a franked dividend on a monthly basis.	
<p>What happens if the Plato Fund changes its investment objectives or investment strategy? Or the Company ceases to be managed by the Manager?</p>	<p>In the event that the Plato Fund's investment objectives or investment strategy is no longer consistent with those of the Company or the Investment Management Agreement is terminated, the Company would consider alternative avenues to meet the investment objectives of the Company, such as investing directly in Australian listed equities, SPI futures and cash or investing in another managed investment scheme that shares the Company's investment objectives.</p> <p>If the Responsible Entity considers a change in the investment strategy is in the best interests of all unitholders, it must consult with the Manager as to the proposed change prior to making the change. The Responsible Entity has confirmed to the Company in writing that it has no current intention to change the Plato Fund's investment strategy. The Manager has agreed to keep the Company informed of any proposed changes that are considered in the future.</p> <p>If the Investment Management Agreement is terminated, the Company will need to identify and engage a suitably qualified and experienced manager to implement the Company's Investment Strategy.</p> <p>Further, if the Company's Shareholders elect to terminate the Investment Management Agreement at any time after the initial term of 10 years (for whatever reason), the Company must redeem its investment in the Plato Fund within 2 business days of the Investment Management Agreement's termination. The F Class Units will be redeemed in specie or in cash (see Section 10.2 for details).</p>	
<p>How will the Portfolio be constructed?</p>	<p>The Manager is responsible for the construction of the Plato Fund Portfolio.</p> <p>The Manager will implement the Investment Strategy for the Company via an investment in the Plato Fund.</p> <p>The Plato Fund Portfolio is predominately comprised of Australian listed equities, however cash and SPI futures are also permitted investments. Further detail on the Plato Fund's permitted investments is provided in Section 4.8.</p> <p>The Plato Fund Portfolio is typically comprised of between 50 and 120 Australian listed equities that the Manager considers to be consistent with the Investment Strategy. Each holding within the Plato Fund Portfolio will not be 5% more or 5% less than that security's weighting in the Benchmark.</p> <p>The Plato Fund Portfolio has a maximum cash exposure of 10%. SPI futures may be used for cashflow and exposure management so that the Plato Fund Portfolio remains within the cash exposure guidelines. See Sections 4.7 and 12 for details of the Plato Fund Portfolio as at 31 January 2017.</p>	<p>Section 4.6 and 4.7</p>
<p>Does the Investment Strategy include borrowings?</p>	<p>Borrowing does not currently form part of the Investment Strategy.</p> <p>Although the Plato Fund Constitution allows the Plato Fund to borrow funds, the Manager does not presently intend for the Plato Fund to borrow funds for investment purposes, as this does not form part of the investment strategy of the Plato Fund.</p>	<p>Section 4.10</p>

Question	Answer	More Information
	<p>The Board and the Manager may decide to amend this policy. Similarly, the Responsible Entity and the Manager (as manager of the Plato Fund) may decide to amend the Plato Fund's policy. If either were ever to occur, the Company would seek Shareholder approval and, if necessary, would redeem its investment in the Plato Fund.</p>	
<p>What is the Company's valuation policy?</p>	<p>The assets of the Company will be valued using market accepted practices to determine their fair value. The value of the Company's investments will be determined by aggregating the value of each investment forming part of the Company's Portfolio. Each investment will be valued in accordance with the following methodology on a monthly basis:</p> <ul style="list-style-type: none"> (a) cash (including income) – the amount of such cash; (b) F Class Units – the unit valuations provided by the Responsible Entity (in accordance with industry practice). <p>See Section 7.7 for further details. The value of the Company's F Class Units will be calculated daily by the independent administrator of the Plato Fund appointed by the Responsible Entity and will be equal to the net asset value of the Plato Fund Portfolio divided by the total number of units on issue (before adjusting for any fees applicable to the ordinary units in the Plato Fund).</p> <p>Investments within the Plato Fund Portfolio themselves will be determined in accordance with the valuation of the policy of the Responsible Entity. The current policy provides for securities to be valued at their market prices, being the last sale price at which the relevant listed securities were sold on market, unless otherwise determined by the Responsible Entity.</p>	<p>Sections 4.12 and 7.7</p>
<p>Does the Investment Strategy permit derivative investments?</p>	<p>SPI futures are the only derivative instruments permitted by the Investment Strategy.</p> <p>SPI futures are a derivative product which enables investors to trade movements in the S&P/ASX 200 Index in a single transaction.</p> <p>SPI futures may be used for cashflow and exposure management so that the Plato Fund Portfolio, and if relevant the Company's portfolio, remains within the cash exposure guidelines (cash exposure cannot exceed 10% of the value of the Plato Fund Portfolio).</p>	<p>Section 4.8</p>
<p>Does the Investment Strategy permit in short selling?</p>	<p>No.</p>	<p>N/A</p>
<p>What is the time frame for investment in the Plato Fund and, subsequently, in the Plato Fund Portfolio?</p>	<p>Immediately following the allotment of Shares and Options under the Offer, the Company will use the net proceeds of the Offer to subscribe for F Class Units.</p> <p>The Manager estimates that it may take up to 5 business days from the allotment of the Shares and Options under the Offer to invest the net proceeds of the Offer (in its capacity as manager of the Plato Fund).</p>	<p>Section 4.7</p>
<p>What is the investment term?</p>	<p>The Company's objectives include seeking to generate annual income (including franking credits), and achieve total returns (after fees) and including franking credits over each full investment cycle</p>	<p>Section 6.6</p>

Question	Answer	More Information
	<p>(which the Manager considers to be a period of typically 3 to 5 years), in excess of the Benchmark.</p> <p>For this reason investors are strongly advised to regard any investment in the Company as a long term proposition (5+ years) and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur over that period and beyond.</p>	
C. Key Information about the Company, the Manager and the Plato Fund		
Who are the Company's Directors?	<p>The Directors of the Company are:</p> <ul style="list-style-type: none"> (a) Jonathan Trollip; (b) Katrina Onishi; (c) Lorraine Berends; (d) Don Hamson; (e) Alex Ihlenfeldt. <p>See Section 9.2 for further details regarding the background of the Directors.</p>	Section 9.2
What is the financial position of the Company?	<p>The Company has no performance history as it is yet to commence trading.</p> <p>Pro-forma statements of financial position are set out in Section 7.</p> <p>The Company will apply the net proceeds of the Offer to subscribe for F Class Units. No fees will be payable to the Manager or the Responsible Entity under the F Class Units.</p>	Section 7
Who is the Manager?	<p>Plato Investment Management Limited (ACN 120 730 136) is the Manager.</p> <p>The Manager will provide management services in accordance with the Investment Management Agreement (summarised in Section 10.1). The Manager has undertaken to the Company that it will implement the Investment Strategy via an investment in the Plato Fund. The Manager manages the Plato Fund Portfolio in accordance with an investment management agreement between the Manager and the Responsible Entity (summarised in Section 10.2).</p> <p>Don Hamson as Managing Director, and Peter Gardner as Senior Portfolio Manager, will have primary responsibility for the investment decisions of the Manager (subject to review by the Plato Investment Team). However, the Manager will ensure that each member of the Plato Investment Team will be available to devote the amount of time required for the Manager to properly perform its functions as investment manager of the Company and the Plato Fund.</p> <p>See Section 5.5 for detailed information regarding the experience and expertise of each of Don Hamson and the members of the Plato Investment Team.</p> <p>The Board believes that its Directors and the Manager together bring together the required experience and expertise in funds management, listed securities and corporate governance to successfully achieve the investment obligations of the Company.</p>	Section 5

Question	Answer	More Information
Does the Board approve investments?	Board approval is not required for investments that are consistent with the Company's investment objectives, strategies, policies and guidelines agreed from time to time (initially being the Investment Strategy and guidelines in this Prospectus). Any investments that the Manager proposes outside of these parameters must be approved by the Board.	See Section 10.1
What experience does the Manager have?	<p>The Manager has not previously managed a listed investment company. However, the Manager is the investment manager of the Plato Fund and the Plato Global Shares Income Fund ARSN 608 130 838.</p> <p>The Manager manages approximately \$3.5 billion (as at 31 January 2017) across a number of funds and individual mandates.</p> <p>The Manager is an authorised representative under Pinnacle Investment Management Limited's (Pinnacle) AFSL and is authorised to provide general financial product advice to, and deal in financial products on behalf of, wholesale clients for amongst other things, securities and derivatives. The respective portfolio managers of the Manager have experience in financial markets and trading securities. See Section 5.5 for details of the Plato Investment Team's experience.</p> <p>Section 5.4 contains information about the historical performance of the Plato Fund. While the Plato Fund is the Company's sole investment, the Company's performance is expected to closely track that of the Plato Fund, but will not be identical. Performance might vary for a number of reasons relating to differences between the Company and the Plato Fund, including:</p> <ul style="list-style-type: none"> ➤ management fees payable by the Company are lower than those payable by investors in the Plato Fund; ➤ different costs; ➤ the Company having a higher degree of flexibility in paying dividends; ➤ the issue by the Company of the Options; and ➤ the Company's tax rate. <p>The graphs and charts detailed in Section 5.4 are not forecasts and do not represent the future behaviour of the Company or the Plato Fund. Past performance is not indicative of future performance and the performance of the Plato Fund and the Company could be significantly different to the performance of the Plato Fund in the past.</p>	Section 5
Will any related party have a significant interest in the Company or in connection with the Offer?	<p>Each Director is a related party of the Company. The independent Directors, Jonathan Trollip, Katrina Onishi and Lorraine Berends will be remunerated for their services. See Section 9.8 for a summary of their annual salaries (inclusive of superannuation). Don Hamson and Alex Ihlenfeldt are non-independent Directors of the Company and are also directors of the Manager. Don Hamson is a minority shareholder in the Manager and Alex Ihlenfeldt is a minority shareholder in Pinnacle (an entity that indirectly owns approximately 48% of the Manager) and neither will receive Directors' fees from the Company.</p> <p>In addition to their annual salary (if applicable), each of the Directors will be entitled to be reimbursed for certain costs and</p>	Section 9

Question	Answer	More Information
	<p>expenses. Full details of Director remuneration are set out in Section 9.8.</p> <p>The Directors, and entities associated with them, are permitted to participate in the Offer. The Directors and their associates have not determined their exact participation in the Offer at the date of this Prospectus. At completion of the Offer, the Directors are expected to have a Relevant Interest in the following numbers of Securities:</p> <ul style="list-style-type: none"> (a) Jonathan Trollip: 50,000 Shares and 50,000 Options; (b) Katrina Onishi: 50,000 Shares and 50,000 Options; (c) Lorraine Berends: 50,000 Shares and 50,000 Options; (d) Don Hamson: 250,001 Shares and 250,000 Options; and (e) Alex Ihlenfeldt: 50,000 Shares and 50,000 Options. <p>As directors and stakeholders in the Manager, Don Hamson and Alex Ihlenfeldt will indirectly benefit from the Management Fees paid to the Manager in accordance with the Investment Management Agreement.</p> <p>Other than as set out above and elsewhere in this Prospectus there are no other existing or proposed agreements or arrangements between the Company and its related parties.</p>	
<p>What are the key terms of the Investment Management Agreement?</p>	<p>The Investment Management Agreement has an initial term of 5 years (and unless terminated, automatically extends for periods of 5 years at the end of the initial term and each subsequent term thereafter).</p> <p>The Company has been granted an in principle waiver by the ASX to allow an initial term of 10 years.</p> <p>The Manager will be responsible for managing the Company's portfolio in accordance with the Investment Strategy (as amended from time to time by the Company).</p>	<p>Sections 3, 4 and 10.1</p>
<p>What are the material contracts for the Plato Fund</p>	<p>As noted above, the Company will seek to achieve its investment objectives by investing in the Plato Fund. The Manager employs the Investment Strategy described in this Prospectus in managing the Plato Fund, which has the same investment objectives as the Company.</p> <p>The Manager has been appointed by the Responsible Entity under the Fund IMA to manage the investments of the Plato Fund.</p> <p>The Fund IMA is in force until terminated by the Responsible Entity in certain circumstances. See Section 10.2 for further details.</p> <p>Neither the Responsible Entity nor the Manager is entitled to receive any fees in respect of the Company's investment in the Plato Fund under the F Class Units.</p> <p>The Fund IMA requires the Manager to comply with the investment guidelines set out in the product disclosure statement of the Plato Fund. At the date of this Prospectus, the current Plato Fund product disclosure statement is dated 24 January 2017.</p>	<p>Section 10.2</p>
<p>What fees will the Manager receive?</p>	<p>In return for the performance of its duties under the Investment Management Agreement, the Manager is entitled to be paid monthly a Management Fee equal to 0.80% (plus GST) per annum of the value of the Company's investments (calculated daily and paid at the end of each month in arrears).</p>	<p>Section 10.1</p>

Question	Answer	More Information
	<p>As a worked example, assuming an initial value of the Company's investments of \$220,000,000 at 1 July 2017, and nil performance on the Portfolio each month, the Management Fee payable on the Portfolio for the 12 month period 1 July 2017 to 30 June 2018 would be approximately \$1,753,488 (plus GST).</p> <p>The Management Fee is to be paid to the Manager regardless of the performance of the Company. Management Fees will increase if the value of the Company's investments increases, and decrease if the value of the Company's investments decreases, over the period.</p> <p>Investors are reminded that the Company will subscribe for F Class Units, which are a class of units on which no fees will be payable to the Manager or the Responsible Entity. This ensures that the Manager will not be paid any fees by the Company in its capacity as a unitholder in the Plato Fund.</p>	
D. About the Offer		
Who is the issuer of the Shares, and this Prospectus?	The issuer is Plato Income Maximiser Limited (ACN 616 746 215).	
What is the Offer?	<p>The Company is offering for subscription up to 200,000,000 Shares at an Application Price of \$1.10, with 1 attaching Option for every Share subscribed, to raise up to \$220,000,000 (with the ability to accept up to \$110,000,000 in oversubscriptions).</p> <p>Of the total Shares and Options available under the Offer, 10,000,000 Shares and Options are available under the Priority Allocation to any:</p> <ul style="list-style-type: none"> (a) registered shareholder of Pinnacle Investment Management Group Limited (ASX: PNI) (b) registered shareholder of Antipodes Global Investment Company Limited (ASX: APL); (c) direct unitholder of the Plato Fund; or (d) direct unitholder of the Plato Australian Shares Income Fund (Managed Risk) or the Plato Global Shares Income Fund, <p>with registered addresses in Australia (Eligible Participants).</p> <p>The Offer also includes the Broker Firm Offer.</p>	Section 2
What are the Option terms?	<p>For every Share issued to an Applicant, the Company will issue to that Applicant one Option. Applicants do not have to pay to subscribe for Options under the Offer.</p> <p>Each Option is exercisable into one fully paid ordinary share at \$1.10 at any time until 5.00pm (Sydney time) on 29 April 2019.</p>	Section 11.4
How do I apply for Shares and Options?	<p>The procedures for making an investment in the Company are described in Section 2.</p> <p>The Joint Lead Managers may be required to obtain identification information from Applicants. The Company reserves the right to reject an Application if that information is not provided upon request.</p>	Section 2

Question	Answer	More Information
How to participate in the Priority Allocation?	Eligible Participants should refer to Section 2.3 and Section 2.7 for details on how to participate in the Priority Allocation.	Section 2.3 and 2.7
How to participate in the Broker Firm Offer?	Applicants under the Broker Firm Offer should contact their Broker for instructions on how to complete the Broker Firm Application Form accompanying this Prospectus. Shares and Options will be allotted under the Broker Firm Offer provided the Broker Firm Application Forms are received or commitments are given to the Joint Lead Managers to lodge the Broker Firm Application Form by 13 April 2017.	Section 2.2
What is the purpose of the Offer?	The money raised under the Offer will be used by the Company for investments consistent with the Company's Investment Strategy and objectives and paying the costs of the Offer, including obtaining a listing on ASX.	Sections 4 and 7
What are the fees and costs of the Offer?	<p>The Company will pay the Lead Arranger an arranger fee equal to 0.10% (plus GST) of the total proceeds raised under the Offer. The Company will pay the Joint Lead Managers a management fee equal to 1.10% (plus GST) of the total proceeds raised under the Offer (this fee will be split equally between them). In addition, the Company will pay to each Joint Lead Manager a Broker Firm selling fee of 1.50% (inclusive of GST) which is equivalent to 1.36% (plus GST) of the total proceeds of the Broker Firm Offer raised by the relevant Joint Lead Manager and their associated Brokers.</p> <p>The costs of the Offer, net of tax and GST, include legal, accounting, marketing and other costs associated with the preparation of the Prospectus and the issue of Shares and Options.</p> <p>These costs are estimated to be:</p> <ul style="list-style-type: none"> (a) \$1,680,156, assuming the Minimum Subscription; (b) \$4,179,361, assuming the Maximum Subscription; and (c) \$6,054,867, assuming the Offer is fully subscribed and the Company accepts \$110,000,000 in over subscriptions. 	Sections 7 and 10.3
Is the Offer underwritten?	No.	Section 2.6
Who is the Lead Arranger?	Commonwealth Securities Limited is the Lead Arranger to the Offer.	Section 10.3
Who are the Joint Lead Managers?	Commonwealth Securities Limited, Ord Minnett Limited and Taylor Collison Limited are Joint Lead Managers to the Offer.	Section 11.11
Who is the Authorised Intermediary?	Commonwealth Securities Limited is the Authorised Intermediary to the Offer.	
Who are the Co-Managers?	The Joint Lead Managers have appointed Wilsons Advisory and Stockbroking Limited and FinClear Execution Ltd as Co-Managers to the Offer. The Company will not pay or give a benefit to those companies for those services. The Joint Leader Managers will have sole responsibility to pay any commissions and fees payable	

Question	Answer	More Information
	to a Co-Manager or Broker.	
Who can participate in the Offer?	Members of the general public who have a registered address in Australia.	Section 2
Can superannuation funds invest?	Yes, subject to the investment mandate of the particular fund and the trustee's general powers and duties.	Section 2
Is there a minimum subscription amount for the Offer to proceed?	Yes, the Company must receive valid Applications for 68,181,818 Shares and 68,181,818 Options in order for the Offer to proceed.	Section 2
Is there a minimum subscription amount for each Application?	Yes, each Applicant must subscribe for a minimum of 5,000 Shares (at the Application Price of \$1.10 per Share) and 5,000 Options (issued for free) i.e. \$5,500.	Section 2
Is there a cooling off period?	No.	
How can I obtain further information in relation to the Offer?	<p>Contact Plato Income Maximiser Limited, on 1300 010 311 or via email at invest@plato.com.au.</p> <p>If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.</p>	

The above table is a summary only. This Prospectus should be read in full before making any decisions to apply for Shares and Options.

2. Details of the Offer

This is a summary only. This Prospectus should be read in full before making any decision to apply for Shares and Options.

2.1. The Offer

Shares

The Company is offering for subscription a minimum of 68,181,818 and up to 200,000,000 fully paid ordinary shares (with the ability to accept up to \$110,000,000 in Oversubscriptions). Shares will be issued at an Application Price of \$1.10 per Share. The Offer will raise between \$75,000,000 and \$220,000,000 (before Oversubscriptions). The rights attaching to the Shares are set out in Section 11.3.

Options

For every Share issued to an Applicant, the Company will issue to that Applicant one Option. Each Option is exercisable into one fully paid ordinary share at \$1.10 per Option until 5.00pm (Sydney time) on 29 April 2019. The terms of the Options are set out in Section 11.4.

The Offer

The Offer is made up of the Broker Firm Offer (detailed in Section 2.2), the Priority Allocation (detailed in Section 2.3) and the General Offer (detailed in Section 2.4).

The Offer will only be made to investors who have a registered address in Australia.

Early lodgement of your Application is recommended as the Directors may close the Offer at any time after the expiry of the Exposure Period without prior notice. The Directors may extend the Offer in accordance with the Corporations Act. The Directors reserve the right to terminate the Offer at any time.

2.2. Broker Firm Offer

The Broker Firm Offer is open to persons who have received a firm allocation from their Broker and who have a registered address in Australia.

Applicants who have been offered a firm allocation by a Broker will be treated as Applicants under the Broker Firm Offer in respect of that allocation.

To participate in the Broker Firm Offer, your Application Form must be received by your Broker by 5:00pm Sydney time on the Broker Firm Offer Closing Date.

Applicants should contact their Broker to determine whether they may be allocated Shares and Options under the Broker Firm Offer.

2.3. Priority Allocation

Up to 10,000,000 Shares and Options have been set aside for the Priority Allocation to Eligible Participants. Eligible Participants are:

- (a) registered shareholders of Pinnacle Investment Management Group Limited (ASX: PNI)
- (b) registered shareholders of Antipodes Global Investment Company Limited (ASX: APL);
- (c) direct unitholders of the Plato Fund; or
- (d) direct unitholders of the Plato Australian Shares Income Fund (Managed Risk) or the Plato Global Shares Income Fund,

with registered addresses in Australia (**Eligible Participants**).

The Priority Allocation will be restricted to the Eligible Participants and allocated at the Directors' discretion.

Eligible Participants should use the Priority Allocation Application Form.

Early lodgement of your application is recommended as the Offer may be closed early at the Directors' discretion.

If the Company receives Applications from Eligible Participants for more than 10,000,000 Shares and 10,000,000 Options, it intends to treat such additional Applications as being made under the General Offer on a General Offer Application Form.

Shares and Options offered under the Priority Allocations that are not taken up will be allocated by the Company under the General Offer or Broker Firm Offer.

2.4. General Offer

The General Offer is open to all Applicants with a registered address in Australia. Staff of Pinnacle Investment Management Limited, the Manager and Directors are able to participate in the General Offer. See Section 9.6 for details of the Directors' participation.

To participate in the General Offer, your Application Form and Application Monies must be submitted to the Registry by 5:00pm (Sydney time) on the Closing Date.

2.5. Minimum Subscription

The minimum subscription amount payable by an individual Applicant under the Offer is \$5,500 (i.e. 5,000 Shares and 5,000 Options).

In addition, there is an aggregate Minimum Subscription required of \$75,000,000 for the Offer to proceed.

2.6. Offer not underwritten

The Offer is not underwritten.

2.7. Applications under the General Offer or Priority Allocation

Application Forms

Applications under the Offer must be made and will only be accepted on the applicable Application Form that accompanies this Prospectus.

The Application Form marked "General Offer" must be completed by Applicants who are not participating in the Broker Firm Offer or the Priority Allocation. The Application Form marked "Priority Allocation" must be completed by Eligible Applicants who are not participating in the Broker Firm Offer or the General Offer.

"General Offer Application Forms" and "Priority Allocation Application Forms" will be accepted at any time after the Opening Date and prior to 5:00pm (Sydney Time) on the Closing Date (expected to be 21 April 2017).

An Application Form must be completed in accordance with the instructions on the form (if using a paper Application Form, the instructions are on the reverse side of the Application Form, if using an electronic Application Form, follow the prompts).

Applications under the Offer must be for a minimum of 5,000 Shares and 5,000 Options (i.e. \$5,500).

Applications received after 5:00pm (Sydney time) on the Closing Date will not be accepted and will be returned to potential investors.

The Directors may extend the Closing Date. Applications must be accompanied by payment in Australian currency.

Payment by cheque or bank draft

Cheque(s) or bank draft(s) must be drawn on an Australian branch of a financial institution and made payable to "Plato Income Maximiser Limited Offer" and crossed "Not Negotiable".

Payments by cheque will be deemed to have been made when the cheque is honoured by the bank on which it is drawn. Accordingly, Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s).

If the amount of your cheque(s) or bank draft(s) for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the number of Shares you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

Completed Application Forms and accompanying cheques may be lodged with:

BY MAIL

Plato Income Maximiser Limited
c/- Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

HAND DELIVERED

Plato Income Maximiser Limited
c/- Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Payment by BPAY

You may apply for Shares and Options online and pay your Application Monies by BPAY.

Applicants wishing to pay by BPAY should complete the online Application Form accompanying the electronic version of this Prospectus which is available at www.plato.com.au and follow the instructions on the online Application Form (which includes the Biller Code and your unique Customer Reference Number (**CRN**)).

You do not need to complete and return a paper Application Form if you pay by BPAY.

You should be aware that you will only be able to make a payment via BPAY if you are the holder of an account with an Australian financial institution which supports BPAY transactions.

When completing your BPAY payment, please make sure you use the specific Biller Code and your unique CRN provided on the online Application Form. If you do not use the correct CRN your Application will not be recognised as valid.

It is your responsibility to ensure that payments are received by 5.00pm (Sydney time) on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY, and policies with respect to processing BPAY transactions may vary between banks, credit unions or building societies.

The Company accepts no responsibility for any failure to receive Application Monies or payments by BPAY before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

2.8. Applications under the Broker Firm Offer

If you are applying for Shares and Options under the Broker Firm Offer, you should arrange for your Broker Firm Application Form to be lodged with the Broker from whom you received your firm allocation.

Broker Firm Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Broker Firm Application Form.

By making an Application, you declare that you were given access to this Prospectus, together with a Broker Firm Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a copy of this Prospectus.

Applicants under the Broker Firm Offer must complete their Broker Firm Application Form and pay their Application Monies to their Broker in accordance with the relevant Broker's directions in order to receive their firm allocation. Applicants under the Broker Firm Offer must not send their Broker Firm Application Forms to the Company or Registry.

The Broker Firm Offer is expected to close at 5.00pm (Sydney time) on 13 April 2017. Please contact your Broker for instructions.

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with instructions from their Broker. The allocation of Shares and Options to Brokers will be determined by the Company and the Joint Lead Managers. Securities that are allocated to Brokers for allocation to their clients with registered Australian addresses will be issued to the successful Applicants who have received a valid allocation of Securities from those Brokers.

It will be a matter for the Brokers how they allocate Securities among their clients, and they (and not the Company) will be responsible for ensuring that clients who have received an allocation from them, receive the relevant Securities.

The Company and the Share Registry take no responsibility for any acts or omissions by your Broker in connection with your Application, Broker Firm Application Form and Application Monies (including, without limitation, failure to submit Broker Firm Application Forms by the close of the Broker Firm Offer).

Delivery versus payment (DvP) settlement is available for Applicants under the Broker Firm Offer. Please contact your Broker or the Joint Lead Managers for further details.

2.9. Exposure Period

The Corporations Act prohibits the Company from processing Applications in the 7 day period after the date of lodgement of this Prospectus with ASIC. This period may be extended by ASIC by up to a further 7 days. Applications received during the Exposure Period will not be processed until after the expiry of that period.

No preference will be conferred on Applications received during the Exposure Period.

2.10. Allocation policy

The basis of allocation of Securities within the General Offer, the Priority Allocation and the Broker Firm Offer will be determined by the Company and the Joint Lead Managers.

Certain Applicants nominated by the Company may be given preference in the allocation of Securities. The Directors currently expect that certain shareholders, directors and employees of the Manager and the Company will participate in the Offer.

The Company reserves the right in its absolute discretion not to issue any Securities to Applicants under the Offer and may reject any Application or allocate a lesser number of Securities than those applied for at its absolute discretion.

2.11. Application Monies

All Application Monies received by the Company will be held by the Company on trust in a separate account until the Securities are issued to successful Applicants. The Company will retain any interest earned on the Application Monies held on trust pending the issue of Securities to successful Applicants.

2.12. Allotment

The Company will not allot Shares and Options until the minimum subscription has been received and ASX has granted permission for quotation of the Shares and Options unconditionally or on terms acceptable to the Company. The Company is not currently seeking quotation of its Securities on any financial market other than ASX. The fact that ASX may admit the Company to the Official List and grant official quotation of the Shares and Options is not to be taken in any way as an indication of the merits of the Company or the Securities offered for issue under the Offer.

ASX takes no responsibility for the contents of this Prospectus. Normal settlement trading in the Securities, if quotation is granted, will commence as soon as practicable after the issue of holding statements to successful Applicants. It is the responsibility of Applicants to determine their allocation prior to trading in the Securities. Applicants who sell Securities before they receive confirmation of their allotment will do so at their own risk.

If ASX does not grant permission for the Securities to be quoted within three months after the date of this Prospectus, the Shares and Options will not be issued and all Application Monies will be refunded (without interest) within the time prescribed by the Corporations Act.

It is expected that the issue of Shares and Options under the Offer will take place by 1 May 2017.

An Application constitutes an Offer by the Applicant to subscribe for Shares and Options on the terms and subject to the conditions set out in this Prospectus. A binding contract to issue Shares and Options will only be formed at the time Shares and Options are allotted to Applicants.

Where the number of Shares and Options allotted is less than the number applied for or where no allotment is made, the surplus Application Monies will be returned to Applicants (without interest) within the time prescribed by the Corporations Act.

2.13. ASX and CHESS

The Company will apply within 7 days of the date of this Prospectus for admission to the official list of the ASX and for the Shares and Options to be quoted.

The Company will apply to participate in the ASX's CHESS and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in Securities quoted on the ASX under which transfers are affected in an electronic form.

When the Shares and Options become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in 1 of 2 sub-registers, an electronic CHESS sub-register or an issuer sponsored sub-register.

Following completion of the Offer, Shareholders will be sent a holding statement that sets out the number of Shares and Options that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Security Reference Number (**SRN**) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS sub-register or through the Share Registry in the case of a holding on the issuer sponsored sub-register. The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

2.14. Brokerage, commission and stamp duty

No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares and Options under the Offer.

2.15. Lead Arranger, Joint Lead Managers and Co-Managers

Offers under this Prospectus will be made under an arrangement between the Company and Authorised Intermediary, under Section 911A(2)(b) of the Corporations Act. The Company will only authorise the Authorised Intermediary to make offers to people to arrange for the issue of Shares and Options by the Company under the Prospectus and the Company will only issue Shares and Options in accordance with Applications made under such offers if they are accepted. No fees are payable by the Company with respect to the arrangement with the Authorised Intermediary.

The Company will pay the Lead Arranger, a fee of 0.10% of the total proceeds raised under the Offer. The Company will pay the Joint Lead Managers a management fee equal to 1.10% (plus GST) of the total proceeds raised under the Offer. In addition, the Company will pay to each Joint Lead Manager a Broker Firm selling fee of 1.50% (inclusive of GST) which is equivalent to 1.36% (plus GST) of the total proceeds of the Broker Firm Offer raised by the relevant Joint Lead Manager and the Co-Managers and Brokers appointed by it.

The Joint Lead Managers have appointed Wilsons Advisory and Stockbroking Limited and FinClear Execution Ltd as Co-Managers to the Offer. The Company will not pay or give a benefit to those companies for those services. The Joint Lead Managers will have sole responsibility to pay any commissions and fees payable to a Co-Manager or Broker.

The Lead Arranger's, the Authorised Intermediary's, the Joint Lead Managers' and the Co-Managers' functions should not be considered as an endorsement of the Offer or a recommendation of the suitability of the Offer for any investor. Neither the Joint Lead Managers nor the Co-Managers guarantees the success or performance of the Company or the returns (if any) to be received by the Shareholders.

Neither the Joint Lead Managers nor the Co-Managers is responsible for or caused the issue of this Prospectus.

2.16. Overseas investors

The Offer is an offer to Australian investors only. The Offer does not constitute an offer in any place in which, or to any person to whom, it would be unlawful to make such an offer.

United States residents

The Offer is not open to persons in the United States or U.S. Persons.

The Securities being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. In addition, any hedging transactions involving these securities may not be conducted unless in compliance with the US Securities Act.

Overseas ownership and resale representation

It is your responsibility to ensure compliance with all laws of any country relevant to your Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty made by you to the Company that there has been no breach of such laws and that all necessary consents and approvals have been obtained.

2.17. Privacy

When you apply to invest in the Company, you acknowledge and agree that:

- (a) you are required to provide the Company with certain personal information to:
 - (i) facilitate the assessment of an Application;

- (ii) enable the Company to assess the needs of Applicants and provide appropriate facilities and services for Applicants; and
 - (iii) carry out appropriate administration;
- (b) the Company may be required to disclose this information to:
- (i) third parties who carry out functions on behalf of the Company, including marketing and administration functions, on a confidential basis; and
 - (ii) third parties if that disclosure is required by law; and
 - (iii) related bodies corporate (as that term is defined in the Corporations Act) which carry out functions on behalf of the Company.

Under the *Privacy Act 1988* (Cth), Applicants may request access to their personal information held by (or on behalf of) the Company. Applicants may request access to personal information by telephoning or writing to the Manager.

2.18. Tax implications of investing in the Company

The taxation consequences of any investment in the Securities will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in the Company. Applicants are urged to consider the possible tax consequences of participating in the Offer by consulting a professional tax adviser.

A general overview of the Australian taxation implications of investing in the Company are set out in Section 11.7 and are based on current tax law and ATO tax rulings. The information in Section 11.7 is not intended as a substitute for investors obtaining independent tax advice in relation to their personal circumstances. We recommend you seek independent tax advice.

2.19. Anti-Money Laundering / Counter-Terrorism Financing Act 2006

The Company, Manager or Joint Lead Managers may be required under the *Anti-Money Laundering/Counter-Terrorism Financing Act 2006* (Cth) or any other law to obtain identification information from Applicants. The Company reserves the right to reject any Application from an Applicant who fails to provide identification information upon request.

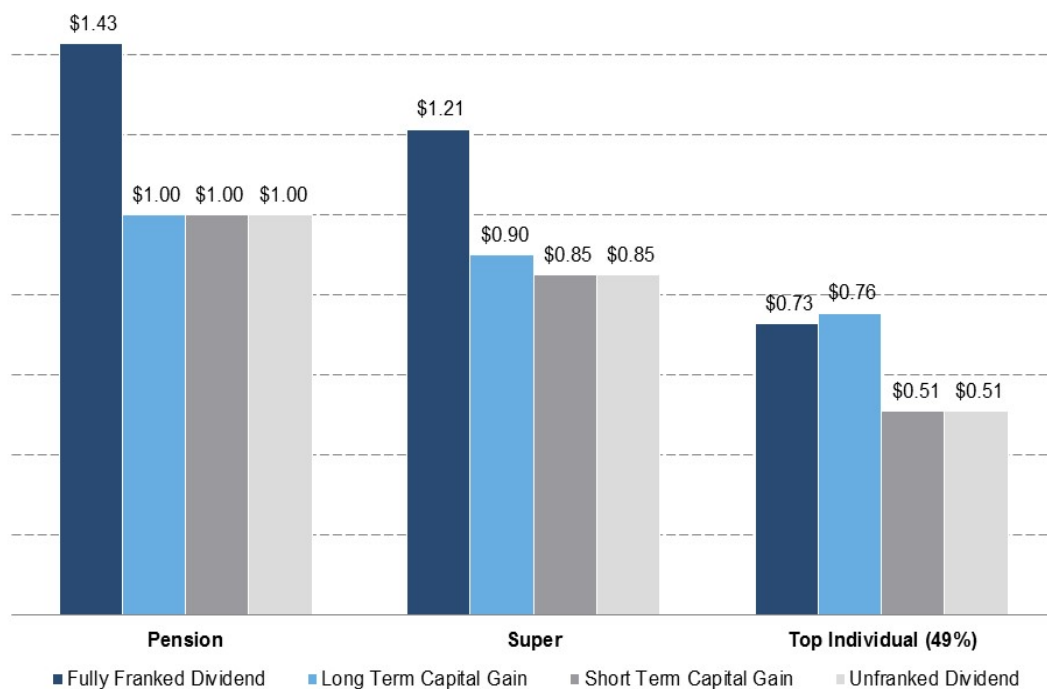
3. Overview of investing in Australian equities for income

Whilst cash and fixed income investments are traditionally considered income investments, the Manager believes there is a strong case for investing in equities, particularly Australian equities, for generating income. Australian equities have one of the highest dividend yields in the developed world, with the S&P/ASX 200 Accumulation Index averaging approximately 4.5% p.a. income over the past ten years⁴, which is substantially higher than the current yields for Australian cash and government bond investments. In addition, many Australian companies pay dividends which have valuable franking credits attached.

To provide an indication of the value of fully franked dividends, Figure 1 below shows the value of various types of investment returns on an after tax basis for three types of Australian investors:

- (a) zero taxed investors, such as pension phase superannuation investors (including SMSFs) and registered charities;
- (b) 15% tax accumulation superannuation investors (including SMSFs); and
- (c) top marginal rate individual investor (including the impact of the Medicare and Budget Repair Levies).

Figure 1: The after tax value of \$1 of investment returns for three different types of Australian resident investors.



Note:

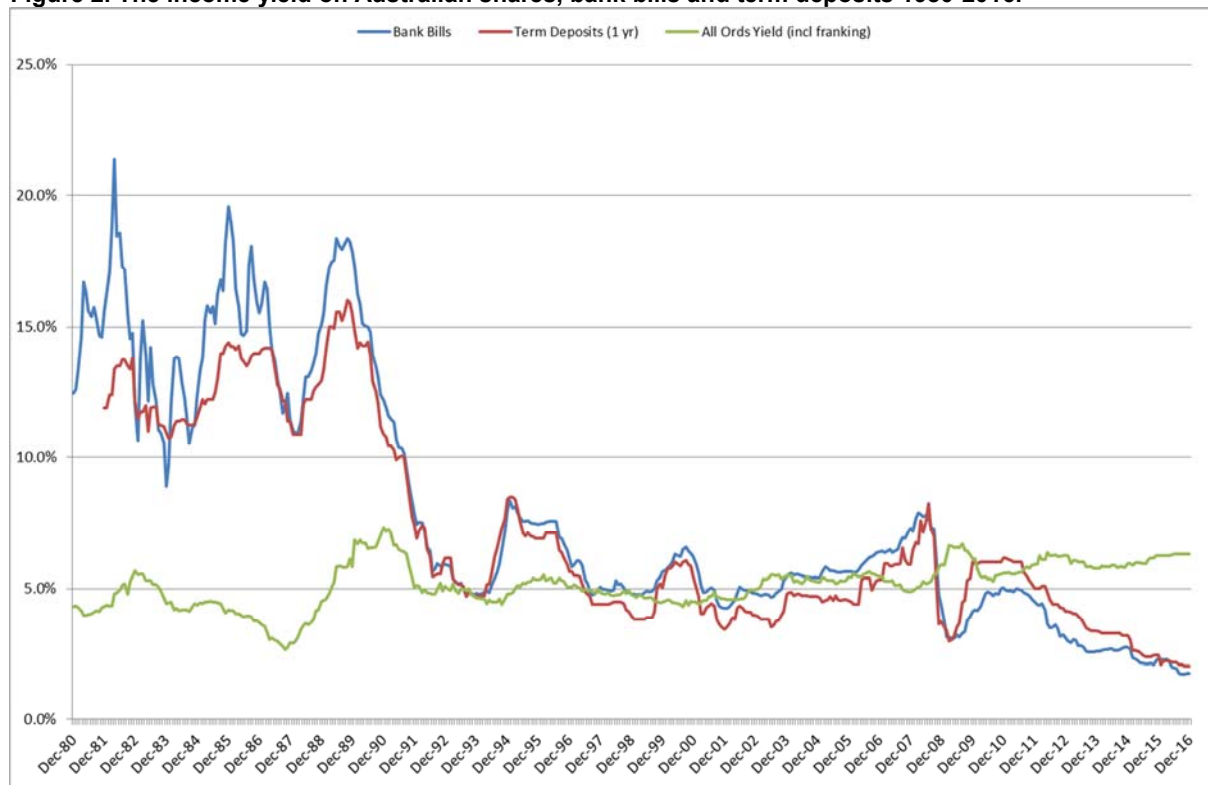
1. Figure 1 has been calculated by the Manager, based on "Individual income tax rates" published by the ATO.
2. "Fully Franked Dividend" means a fully franked dividend paid by a resident Australian company. "Long Term Capital Gain" means a realised long term capital gain for tax purposes, being a realised gain on an asset that had been held for one year or more. "Short Term Capital Gain" means a realised short term capital gain for tax purposes, being a realised gain on an asset that had been held for less than one year. "Unfranked Income" means any other form of income that has no franking credits attached, which could, for instance include interest income, rental income, dividend income from overseas shares or unfranked trust distributions.
3. "Pension" refers to zero taxed investors, such as pension phase superannuation investors (including SMSFs).
4. "Super" refers to investors taxed at 15% rate, such as superannuation investors (including SMSFs) in the accumulation phase.
5. "Top individual" refers to investors taxed at the highest income tax rate and includes the 2% Medicare Levy and 2% Budget Repair Levy.

⁴ Source: S&P Dow Jones Indices. S&P Dow Jones has not consented to the inclusion of this information in this Prospectus.

Figure 1 highlights the value of fully franked dividends for low taxed investors. For a pension phase superannuation fund or other zero taxed Australian investors who receive franking credit refunds, a \$1 fully franked cash dividend is worth \$1.43 after factoring in the franking credit refund, whilst for a 15% taxed accumulation superannuation fund it is worth \$1.21. For these investors, \$1 of fully franked cash dividend is worth substantially more on an after tax basis than \$1 returns from other forms of investment returns.

When franking credits are added to the cash dividend yield on the Australian equity market, the gross (of franking) yield on the Australian equity market is currently around 6% p.a.⁵. Figure 2 below shows that the gross yield on the Australian equity market is now substantially higher than the interest income one could receive from a cash (term deposit or bank bill) investment. Figure 2 also highlights that the gross dividend yield from the Australian equity market has been relatively stable compared to cash yields from bank bill and term deposits over the past 25 years.

Figure 2. The income yield on Australian shares, bank bills and term deposits 1980-2016.



Source: Iress, Reserve Bank of Australia, Plato (estimate of franking yield). Neither Iress nor RBA have consented to be named in this Prospectus.

Figure 2 is consistent with the Manager's belief that Australian shares can be invested in to provide both capital growth and income. Indeed, over the past 5 years, Australian shares have provided higher income yields than Australian bank bill and one year term deposits.

It should be noted, however, that the risk of investing in Australian shares is significantly higher than the risk of investing in cash or fixed income investments.

⁵ For the purpose of the gross yield, franking is valued from the perspective of a tax exempt investor.

4. About the Company

4.1. Overview of Plato Income Maximiser Limited

The Company has been established to provide investors with the opportunity to benefit from an indirect investment in actively managed well-diversified Australian listed equities portfolio that aims to generate both income and a total return in excess of the Benchmark.

The Company aims to pay regular monthly dividends once it has sufficient profit reserves. The Board will consider in July 2017 whether the Company can start paying dividends. This is not intended to be a forecast, it is merely a statement of the future intentions of the Company. The Company may not be successful in meeting its dividend objective. See Section 4.9 for further information regarding the Company's dividend policy.

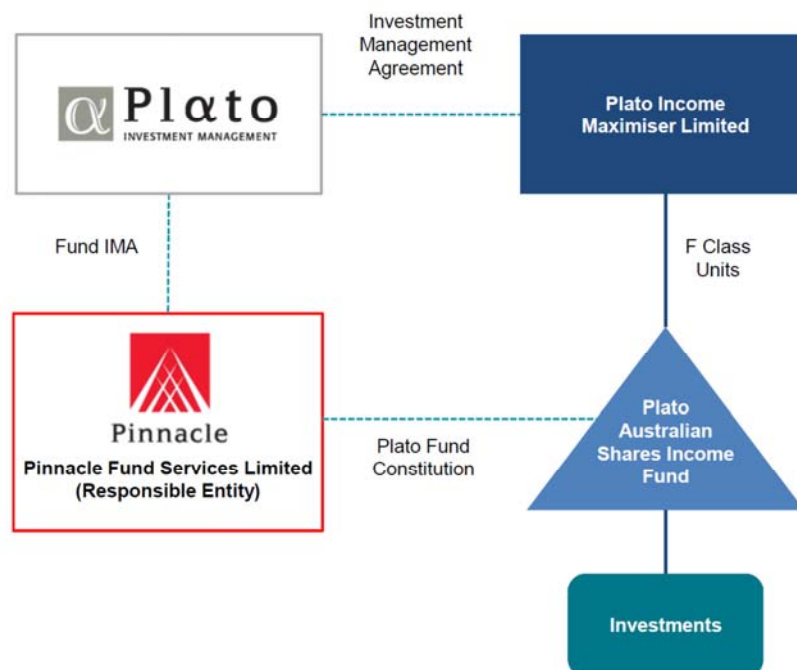
4.2. Investment Structure

The Company will implement the Investment Strategy, and seek to achieve its investment objectives, by investing in a registered unlisted managed investment scheme managed by the Manager called the Plato Australian Shares Income Fund (**Plato Fund**). The Plato Fund is managed by the Manager using the same investment strategy as the Company. Implementing the strategy in this way is aimed at helping the Company achieve its dividend objective.

The Plato Fund has an investment mandate to invest in ASX listed entities, listed SPI futures and cash and has the same investment objectives as the Company. Further detail on the Plato Fund's permitted investments is provided in Section 4.8.

The Company will invest in F Class Units, being a class of units in the Plato Fund, on which no fees are payable to the Manager or the Responsible Entity and are non-transferable. In all other respects, the rights of F Class Units are materially the same as the rights of ordinary units in the Plato Fund. For a detailed summary of the rights attaching to the F Class Units, see Section 10.2. The Company will hold 100% of the F Class Units, and the balance of the Plato Fund's units will be held by the Plato Fund's existing wholesale and retail investors.

The initial structure of the Company and its investments are follows:



Shareholders in the Company will receive the benefit of income and profits generated by the Plato Fund's investments through distributions paid to the Company as a Plato Fund unitholder.

The Manager will manage the investments of both the Company and the Plato Fund. An appropriate corporate governance framework for the Company has been established requiring:

- (a) the Manager to carry out its responsibilities to the Company in accordance with the terms of the Investment Management Agreement;
- (b) the Manager to manage the Plato Fund Portfolio in accordance with the Fund IMA;
- (c) the Responsible Entity to ensure that its independent fund administrator values the F Class Units daily in accordance with the Plato Fund Constitution.

Further details of the Company corporate governance framework is provided in Section 9.10.

4.3. Investment objectives

The Company's investment objectives are to:

- (a) provide annual income (including franking credits) that exceeds the gross income of the Benchmark; and
- (b) outperform (after fees) the Benchmark in total return terms including franking credits over each full investment cycle (which the Manager considers to be a period of typically 3 to 5 years).

The Company will seek to pay dividends from the profit, dividend and interest income it receives from its investments. Once it has sufficient profit reserves, the Board intends for the Company to pay dividends on a monthly basis (subject to available profits, cash flow and franking credits and to the extent permitted by law and prudent business practices). Dividends are expected to be franked to the extent that available imputation credits permit. See Section 4.9 for further information regarding the Company's dividend policy.

4.4. Investment Strategy

The Investment Strategy is to invest (directly or indirectly) in an actively managed well-diversified Australian equities portfolio, predominately comprised of Australian listed securities, which aims to achieve the investment objectives outlined above.

The Manager will implement the Investment Strategy by investing in the Plato Fund as described in Section 4.2 above.

The Manager employs a disciplined systematic process to take advantage of market inefficiencies to seek to deliver higher levels of income (including franking credits) than the Benchmark.

The Manager employs the investment philosophy and investment process set out in Section 4.5 and 4.6 as manager of the Plato Fund.

4.5. Investment philosophy

The Manager's philosophy is centred on the belief that markets are complex and less than perfectly efficient. These market inefficiencies are derived from informational, behavioural and structural sources. The Manager believes a disciplined investment process can take advantage of these market inefficiencies to outperform over a market cycle. Some of these sources of return are exploited on a longer term time horizon and others are extracted on a shorter term basis.

The Manager believes that an actively managed well-diversified portfolio of securities that is cheaper than, of higher quality than, and exhibits better business momentum than, the market is likely to outperform standard market benchmarks over the longer term. The Manager considers that there are also shorter term opportunities to outperform the market and generate additional income around dividend events for individual companies.

4.6. Investment process

The Manager's investment process involves extensive research focusing on relative market values, business momentum, the quality of the potential investee entity and the prospect for dividends.

Once an investment idea has been identified, the Manager will make an assessment of the following factors where relevant to the specific security:

- (a) **Value:** the value of each security relative to the market (using a combination of models, including models focussed on earnings, cash flow, dividends or EBITDA);
- (b) **Business Momentum:** broker earnings forecasts and share prices to determine the relative business momentum of companies on the Australian share market;
- (c) **Quality:** firm quality, having regard to a range of factors including but not limited to the return on equity or change in return on equity, asset turnover (efficiency), and earnings quality;
- (d) **Dividend and dividend run up:** the estimated dividend run-up return of each individual security in the period leading up to its forecast dividend ex date, as well as the expected size of that dividend payment (including franking credits) as forecast by the Manager. Historically, the Manager has observed a general tendency for securities to outperform the general market in the period leading up to their dividend ex date.
- (e) **Dividend Trap Avoidance:** the likelihood of a particular entity reducing its dividend as forecast by the Manager using a number of security specific factors.

These factors are taken into account in assessing the relative merits of entities to invest in. The Manager takes these factors into consideration, as well as investment risk and liquidity when constructing the portfolio. The Manager aims to build a diversified portfolio of securities that it expects will achieve total returns in excess of, and "generate" more income than, the Benchmark without taking on excessive active portfolio risk. The Manager uses portfolio optimisation software to assist with portfolio construction.

Portfolio optimisation is a quantitative approach that constructs the most efficient combination of securities to satisfy investment objectives whilst balancing expected risk and return.

For portfolio construction, individual security weightings, sector weightings, and size exposure are determined by taking into account the following internal guidelines at the time of portfolio construction:

Security weightings	The weighting of a security in the portfolio will not be 5% more or 5% less than the Benchmark weighting.
Sector weightings	Whilst there is no hard limit to relative or absolute sector weightings, the Manager aims to build a portfolio with similar sector weightings to the Benchmark.
Cash exposure	Maximum 10% exposure to cash although it is the Manager's intention to be largely fully invested as the Manager does not attempt to time markets, rather preferring to be fully invested as much as is practicable.
Number of positions	The Plato Fund Portfolio is typically comprised of between 50 and 120 securities that the Manager considers to be consistent with the Investment Strategy

The Manager will monitor the portfolio risk, returns and implementation, rebalancing the Plato Fund Portfolio when necessary to satisfy the investment objectives.

4.7. Initial portfolio

The Company will invest the net proceeds raised under the Offer in the Plato Fund immediately following the allotment of Shares and Options under the Offer.

The Manager estimates that it may take up to 5 business days from the allotment of the Shares and Options under the Offer to invest the net proceeds from the Offer (in its capacity as manager of the Plato Fund). The Manager will invest the Company's funds in accordance with the Investment Strategy set out in this Prospectus.

As at 31 January 2017 the total value of the Plato Fund's investments in ASX listed securities was \$940,684,234, the total value of cash and net receivables (i.e. dividends, distributions and interest less fees payable) within the Plato Fund was \$4,537,596 and there were zero SPI futures holdings. The value of securities within the Plato Fund Portfolio were determined based on the last sale price on ASX at the close of trading on 31 January 2017.

Below are details of the Plato Fund Portfolio's top 10 holdings and sector exposures on 31 January 2017 as a percentage of the funds under management and the respective Benchmark weight of those securities (based on the closing price on that date).

The below tables do not reflect the current Plato Fund's current portfolio of investments as the portfolio has been actively traded since 31 January 2017. A detailed table containing the Plato Fund Portfolio's holdings on 31 January 2017 is set out in Section 12.

Plato Fund Portfolio's top 10 holdings

Entity Name	Code	Benchmark Weight	% of Plato Fund
Commonwealth Bank of Australia	CBA	9.50%	12.81%
Australia and New Zealand Banking Group Limited	ANZ	5.80%	6.68%
Telstra Corporation Limited	TLS	4.03%	5.53%
Wesfarmers Limited	WES	3.07%	5.03%
Westpac Banking Corporation	WBC	7.19%	4.11%
Rio Tinto Limited	RIO	1.91%	4.05%
BHP Billiton Limited	BHP	5.77%	3.89%
Macquarie Group Limited	MQG	1.94%	3.27%
Scentre Group	SCG	1.58%	2.82%
AGL Energy Limited	AGL	1.03%	2.56%

This table does not reflect the current weightings of the Plato Fund Portfolio. It is provided as an example only – it is not to be taken as an example of the optimal portfolio allocation, now or in the future.

Plato Fund Portfolio's sector breakdown

Sector Breakdown	Benchmark Weight	% of Plato Fund
Energy	4.3%	4.2%
Materials-X-Metals & Mining	4.2%	5.2%
Metals & Mining-X-Gold	11.2%	12.1%
Gold	1.7%	1.6%
Consumer Discretionary-X-Media	4.0%	5.0%
Media	0.7%	0.8%
Financials-X-Property Trusts	38.5%	37.6%
Property Trusts	7.5%	6.4%
Industrials	6.3%	7.1%
Consumer Staples	6.8%	6.0%
Health Care	6.6%	4.3%
Utilities	2.6%	2.6%
Information Technology	1.2%	0.8%
Telecommunication Services	4.4%	5.9%

This table does not reflect the current weightings of the Plato Fund Portfolio. It is provided as an example only – it is not to be taken as an example of the optimal portfolio allocation, now or in the future.

4.8. Permitted investments

Company's Permitted Investments

Under the Company's Investment Strategy, the Company will invest into the Plato Fund for so long as the Company and the Plato Fund have consistent investment objectives and share the same investment strategy. In the event that the Plato Fund's investment objectives, strategies or permitted investments are no longer consistent with those of the Company, the Manager will be expected to consider alternative avenues, in consultation with the Company, to meet the investment objectives of the Company. To allow the Company the flexibility to consider alternative avenues (if it becomes necessary in the future), the types of securities and other financial products included in the Company's investable universe are limited to:

- (a) interests in collective investment vehicles, including units in unlisted managed investment schemes (including the Plato Fund);
- (b) ASX listed securities;
- (c) SPI futures; and
- (d) cash and cash equivalents.

If the Company's Shareholders elect to terminate the Investment Management Agreement at any time after the initial 10 year term (for whatever reason), the Company must redeem its investment in the Plato Fund within 2 business days of the Investment Management Agreement's termination. The F Class Units will be redeemed in specie or in cash (see Section 10.2 for details).

Plato Fund Permitted Investments

As noted above, the Company will invest in F Class Units in the Plato Fund and hold cash. The Plato Fund is permitted to invest in the following asset classes subject to the guidelines summarised in Section 4.6:

- (a) ASX listed securities;
- (b) SPI futures; and
- (c) cash and cash equivalents.

The Plato Fund's permitted investments and investment guidelines can only be changed by the Responsible Entity if it considers the changes to be in the best interests of all members and after consultation with the Manager. See Section 10.2 for further details.

The Responsible Entity has confirmed to the Company that it has no current intention to amend the Plato Fund's permitted investments and investment guidelines. The Manager has agreed to keep the Company informed of any proposed changes that are to be considered in the future.

4.9. Dividend objective

The Investment Strategy is focused on investments with the potential to deliver regular income as well as capital growth over the long term.

After sufficient profits have been built up, the Board aims for the Company to be able to pay regular monthly dividends from available profits, provided it has sufficient profit reserves and it is permitted by law and within prudent business practice to do so.

The declaration of dividends by the Company is at the full discretion of the Board. In declaring dividends, the Board will have regard to cash flow and franking credits in addition to the matters set out above. The Board will consider in July 2017 whether the Company is in a position to start paying dividends.

While the Company is invested in the Plato Fund, these profits will be derived from distributions it receives from the Plato Fund. The Responsible Entity has confirmed to the Company that, subject to

the Plato Fund having sufficient distributable income, it intends to calculate and pay distributions at least quarterly. See Section 5.4 for details of the historic yield generated by the Plato Fund.

The Company dividend objective is merely an objective of the Company and is not intended to be a forecast. The Company may not be successful in meeting its dividend objective. The amount of any dividend and level of franking will be at the discretion of the Board and will depend on a number of factors, including the availability of profit reserves and franking credits, retained earnings, capital requirements, financial conditions and other factors that the Board deems relevant.

4.10. Borrowing policy

The Company's policy is to not borrow funds.

While the Plato Fund Constitution allows the Plato Fund to borrow funds, the Manager does not currently intend for the Plato Fund to borrow funds for investment purposes, as this does not form part of the investment strategy of the Plato Fund.

The Board and the Manager may decide to amend this policy. Similarly, the Responsible Entity and the Manager (as manager of the Plato Fund) may decide to amend the Plato Fund's policy. If either were ever to occur, the Company would seek Shareholder approval and, if necessary, would redeem its investment in the Plato Fund.

4.11. Capital management policy

The Board will regularly review the capital structure of the Company and, where the Board considers appropriate, undertake capital management initiatives which may involve:

- (a) the issue of other Securities (through bonus options issues, placement, pro rata issues, etc.); and / or
- (b) the buy-back of its Securities.

4.12. Valuation policy

The Company's NTA will be calculated monthly (released to the ASX at least monthly) using a framework for the valuation of financial instruments that is consistent with current industry practice and regulatory requirements.

The assets of the Company will be valued using market accepted practices to accurately and independently determine their fair value. The value of the Company's investments shall be determined by aggregating the value of each investment forming part of the Company's Portfolio. Each investment shall be valued in accordance with the following methodology:

- (a) investment in the Plato Fund – based on the unit valuations provided by the Responsible Entity (in accordance with industry practice);
- (b) cash (including income) – the amount of such cash (in Australian dollars);
- (c) other investments (other than cash) in accordance with Australian Accounting Standards (unless otherwise agreed by the Company and the Manager).

See Section 7.7 for further details. The value of the Company's F Class Units will be calculated daily by the independent administrator of the Plato Fund appointed by the Responsible Entity and will be equal to the net asset value of the Plato Fund Portfolio divided by the total number of units on issue (before adjusting for any fees applicable to the ordinary units in the Plato Fund).

Investments within the Plato Fund Portfolio themselves will be determined in accordance with the valuation of the policy of the Responsible Entity. The current policy provides for securities to be valued at their market price, being the last sale price at which the relevant listed securities were sold on market unless otherwise determined by the Responsible Entity.

4.13. Changes to Investment Strategy

The Investment Strategy outlined in this Section is expected to be implemented by the Manager upon listing of the Company on ASX.

While no material changes to the Investment Strategy are presently contemplated, if there are changes, these changes would be made with the approval of the Board, after consultation with the Manager. The Company will notify Shareholders via its website and ASX of any material changes to the Company's Investment Strategy.

In the event that the Plato Fund's investment objectives or investment strategy is no longer consistent with those of the Company or the Investment Management Agreement being terminated, the Company would consider alternative avenues to meet the investment objectives of the Company, such as investing directly in Australian listed equities, SPI futures and cash or investing in another managed investment scheme that shares the Company's investment objectives.

If the Responsible Entity considers a change in the investment strategy is in the best interests of all unitholders, it must consult with the Manager as to the proposed change prior to making the change. The Responsible Entity has confirmed to the Company that it has no current intention to change the Plato Fund's investment strategy. The Manager has agreed to keep the Company informed of any proposed changes that are considered in the future.

4.14. Reports to Shareholders

Within 14 days after the end of each month, the Company will release to the ASX a statement of the net tangible asset backing of its Shares as at the end of that month. The calculation of the NTA backing of Shares will be made in accordance with the Listing Rules.

The Company will provide to Shareholders on request, free of charge, a copy of statements released to the ASX of the NTA backing of Shares from time to time.

The Company may also release to the ASX (and place on its website) reports, prepared by the Manager from time to time, to keep Shareholders informed about the current activities of the Company, the performance of the Company's investment in the Plato Fund and the investment outlook.

5. About the Manager and the Plato Fund

5.1. Overview of the Manager

The Company's Investment Strategy is proposed to be implemented by the Manager, which has been appointed as an authorised representative under Pinnacle's Australian Financial Services Licence (no. 322140).

The Manager is a boutique fund manager specialising in Australian and global equities with funds under management of approximately \$3.5 billion as at 31 January 2017.

The Manager is controlled 52.06% by entities associated with the Plato Investment Team (including its directors) and 47.94% by Pinnacle. Pinnacle supports the development of high quality investment management businesses like the Manager. As at 31 December 2016, the fund management entities related to Pinnacle managed approximately \$23 billion on behalf of individual investors and institutions, both in Australia and offshore.

5.2. Overview of the Plato Fund

The Company will seek to achieve its investment objectives by investing in the Plato Fund, an unlisted registered managed investment scheme managed by the Manager.

The Plato Fund was established in August 2011 and commenced investing in September 2011. Since inception, the Manager has managed the Plato Fund Portfolio using an investment strategy which is the same as the Investment Strategy described in this Prospectus.

The Company will subscribe for F Class Units at a unit price of \$1.00 on the terms described in this Prospectus. Following the Company's initial investment, the unit price of the F Class Units will be calculated daily by RBC Investor Services Trust, the independent administrator of the Plato Fund appointed by the Responsible Entity and will be equal to the net asset value of the Plato Fund Portfolio divided by the total number of units on issue (before adjusting for any fees applicable to the ordinary units in the Plato Fund). The F Class Units are a class of units in the Plato Fund on which no fees are payable to the Manager or the Responsible Entity and are non-transferable. In all other material respects, the rights of F Class Units are the same as the rights of ordinary units in the Plato Fund.

Pinnacle Fund Services Limited is the responsible entity of the Plato Fund. The directors of the Responsible Entity are:

- (a) Ian Macoun;
- (b) Alex Ihlenfeldt;
- (c) Andrew Findlay; and
- (d) Calvin Kwok.

Pinnacle Fund Services Limited is a wholly owned subsidiary of Pinnacle. As Responsible Entity, Pinnacle Fund Services Limited is responsible for the protection of unitholder interests and overall corporate governance of the Plato Fund, and manages the Plato Fund in accordance with its duties to all unitholders.

The Responsible Entity is also subject to numerous duties under the Corporations Act, including duties to act honestly, exercise care and diligence and act in the best interests of all unitholders. Further details of the Plato Fund Constitution and the Responsible Entity's obligations are specified in Section 10.2.

Plato Fund Size

The Company will not control the Plato Fund. Based on the Plato Fund having a net asset value of \$945,221,830 as at 31 January 2017, the total size of the Plato Fund and the Company's ownership proportion in the Plato Fund following the Offer will be as set out below:

	Current Size (\$'000,000)	Minimum Subscription \$75 million (\$'000,000)		Maximum Subscription \$220 million (\$'000,000)		Over Subscription \$330 million (\$'000,000)	
Point in time	As at 31 January 2017	Following the Offer	Fully diluted basis	Following the Offer	Fully diluted basis	Following the Offer	Fully diluted basis
Total size of the Plato Fund	\$945.2	\$1,017.7	\$1,092.7	\$1,158.9	\$1,378.9	\$1,266.0	\$1,596.1
Company's ownership proportion in the Plato Fund	0%	7.1%	13.5%	18.4%	31.4%	25.3%	40.8%

Note: Assumes the Company invests 100% of the net amount raised under the Offer (before the exercise of an Options) based on the size of the Plato Fund as at 31 January 2017. "Fully diluted basis" assumes that 100% of the Options issued under the Offer are subsequently exercised and invested in the Plato Fund.

If the Company raises the maximum amount under the Offer, the Manager and the Responsible Entity envisage that the Plato Fund will soft close. This means that only existing unitholders (including the Company) may increase their investment in the Plato Fund and applications from new investors will not be accepted.

5.3. Role of the Manager

The Company has engaged the Manager to provide investment management services consistent with the Investment Strategy.

The Manager has also been engaged by the Responsible Entity to manage the Plato Fund and has discretion to undertake investments on behalf of the Plato Fund (and therefore, on the basis of the Company's intention to invest into the Plato Fund, indirectly for the Company). The Company is not a party to the Fund IMA and so has no rights in the event of a breach. The Fund IMA cannot be amended without the Manager's and the Responsible Entity's consent.

Under the terms of the Fund IMA, all decisions regarding investment and divestment will be made by the Manager subject to the investment objectives, policies and restrictions adopted by the Plato Fund from time to time. The Responsible Entity reserves the right to replace the Manager at its sole discretion. However, the Responsible Entity has confirmed to the Company that it has no present intention to do so as at the date of this Prospectus.

5.4. Historical performance of the Plato Fund

Introduction

This Section contains details in relation to the historic performance of the Plato Fund. The Company considers the performance of the Plato Fund to be representative of the historical performance of the Company's Investment Strategy and processes and therefore relevant for investors assessing an investment in the Company.

The graphs and charts detailed in Section 5.4 are not forecasts and do not represent the future behaviour of the Company or the Plato Fund. Past performance is not necessarily indicative of future performance and the performance of the Plato Fund and the Company could be significantly different to the performance of the Plato Fund Portfolio in the past.

While the Plato Fund is the Company's sole investment, the Company's performance is expected to closely track that of the Plato Fund, but will not be identical. Performance might vary for a number of reasons, including:

- the management fees payable by the Company to the Manager (0.82% p.a. of value of the Company's investments inclusive of GST and RITC) are lower than that payable by ordinary unitholders in the Plato Fund (0.90% p.a. of the net asset value of the Plato Fund inclusive of GST and RITC).
- the Company will incur certain costs, given its status as an ASX listed entity, that are not applicable to the Plato Fund (for example, ASX listing fees and share registry costs).
- the Company has a higher degree of flexibility in terms of distributions when compared with trusts (such as the Plato Fund) which, subject to available profits and franking credits, allows the Board to smooth dividend payments. Conversely, the Plato Fund is required to distribute to unitholders all of their taxable income and realised net capital gains at the end of each financial year, which can lead to fluctuations in the amount of distributions made.
- the Company will issue Options to investors that participate in the Offer. Options that are exercised may dilute the NTA of the Company and lead to variations in performance.

The above is not intended to provide a comprehensive analysis of how the Company and the Plato Fund's performance may differ.

Differences in tax treatments between Plato Fund and the Company

The Company, as a company, and the Plato Fund, as a trust structure, are subject to different taxation rules and treatments which are not reflected in the performance figures set out in Section 5.4.

For example:

- (a) As a company, the Company's income (including any realised gains on the disposal of assets) is generally subject to income tax at the prevailing company tax rate, which is currently 30%. The Plato Fund, on the other hand, is a trust structure that is generally considered as a flow through vehicle for taxation purposes. Its income is therefore generally not subject to income tax. However, unitholders in the Plato Fund are generally subject to income tax in respect of the taxable distributions they receive from the Plato Fund at the income tax rate applicable to them. See Section 11.7 for details of the Australian taxation implications of investing under the Offer.
- (b) Distributions from the Plato Fund may include concessional tax capital gains, whereas distributions from the Company will typically be taxable as dividends.

The above is not intended to provide a comprehensive analysis of the taxation differences between a company and a trust. Investors are recommended to seek advice from a tax advice prior to making any investment decision.

Historical performance of the Plato Fund

(a) Comparative returns of the Plato Fund vs the Benchmark

The following table illustrates the historical performance of the Plato Fund, compared against the Benchmark. The Benchmark, being S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt), has been used as a comparison because it is the benchmark for the Plato Fund and because it includes the value of franking credits as part of its return.

It shows that the Plato Fund delivered an accumulated return of 14.0% per annum from 9 September 2011 to 31 December 2016, compared against the Benchmark which delivered a 12.3% return per annum over the same period.

Plato Fund – Returns (inclusive of franking credits) to 31 December 2016

	3 Months %	12 Months %	3 years %	5 years %	Since Inception %
Plato Fund (after fees) ¹	5.9	11.9	8.7	15.1	14.0
Benchmark ²	5.5	13.4	8.2	13.6	12.3
Outperformance of the Benchmark (after fees)	0.4	-1.5	0.5	1.5	1.7

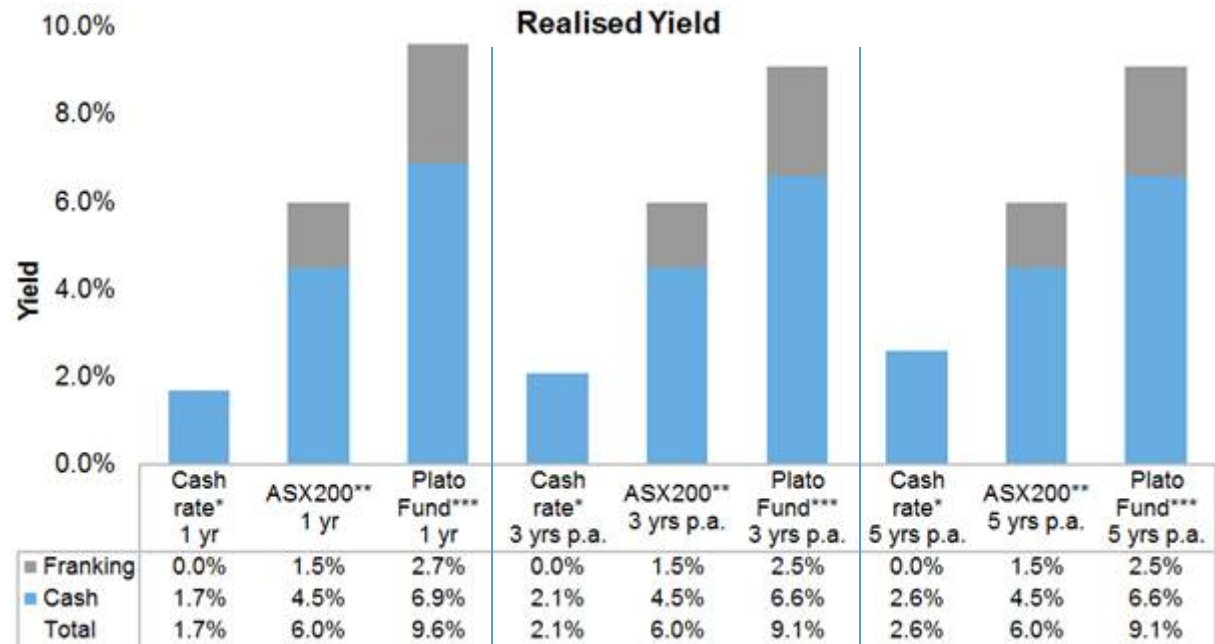
Note:

1. The performance of the Plato Fund is based on the Plato Fund's monthly exit prices, after ongoing fees and expenses and including franking credits (valued from the perspective of a tax exempt investor) but excluding taxation and assuming all distributions are reinvested. For periods greater than 12 months, returns have been annualised.
2. The performance of the Benchmark is based on trading data prepared by S&P Dow Jones Indices. S&P Dow Jones Indices has not consented to the use of this data in this Prospectus. The Benchmark returns assume all dividends are reinvested and includes the value of franking credits (valued from the perspective of a tax exempt investor).
3. Past performance is not a reliable indicator of future performance. The relative returns identified above are not intended to be an indication of the future performance of the Company, the Plato Fund or the market. Importantly, the Company will invest in F Class Units. The return on those units will differ from the return on ordinary units in the Plato Fund because returns on the F Class Units will compound without the accrual of management fees.

(b) *Realised yield since inception*

The Plato Fund delivered substantial income through the period from inception (9 September 2011) to 31 December 2016, returning an average gross income yield of 9.0% per annum. This compared to the Benchmark which offered gross income yields of 6.0% per annum over the same time period.

The following table provides more detail of the income realised over the past 5 years to December 2016.

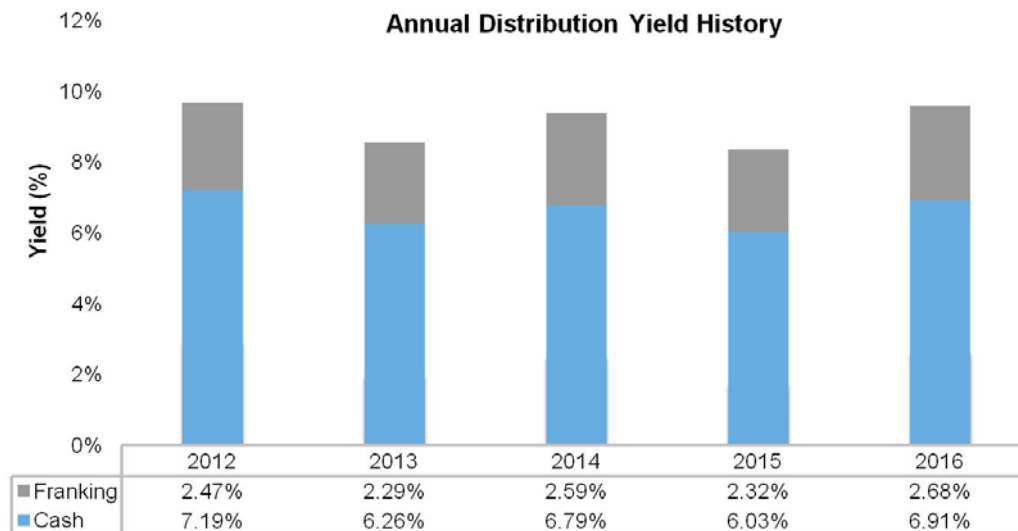
**Note:**

1. The realised yield is the income distributed by the Plato Fund (after fees) compared to the income distributed by the Benchmark and the income generated by cash, in each case annualised over 1 year, 3 years and 5 years to 31 December 2016.
2. The income distributed by the Plato Fund and the Benchmark includes the value of franking credits (valued from the perspective of a tax exempt investor) as well as the value of cash distributed. The value of the franking credits component of the income distributed is shown in grey.
3. The Cash rate is based on data from the Reserve Bank of Australia. The Reserve Bank of Australia has not consented to the use of this data in this Prospectus. The yield on the Benchmark is based on trading data prepared by S&P Dow Jones Indices. The Benchmark returns assume all dividends are reinvested and includes the value of franking credits (valued from the perspective of a tax exempt investor).
4. Past performance is not a reliable indicator of future performance. The relative returns identified above are not intended to be an indication of the future performance of the Company, the Plato Fund or the market. Importantly, the Company will invest in F Class Units. The return on those units will differ from the return on ordinary units in the Plato Fund because returns on the F Class Units will compound without the accrual of management fees.

(c) *Annual distributions of the Plato Fund over the last 5 financial years*

The income of the Plato Fund in the period from inception to 31 December 2016 also proved to be fairly resilient.

The Plato Fund generated gross yields (including franking credits) of between 8.4% to 9.7% over this 5 year period.



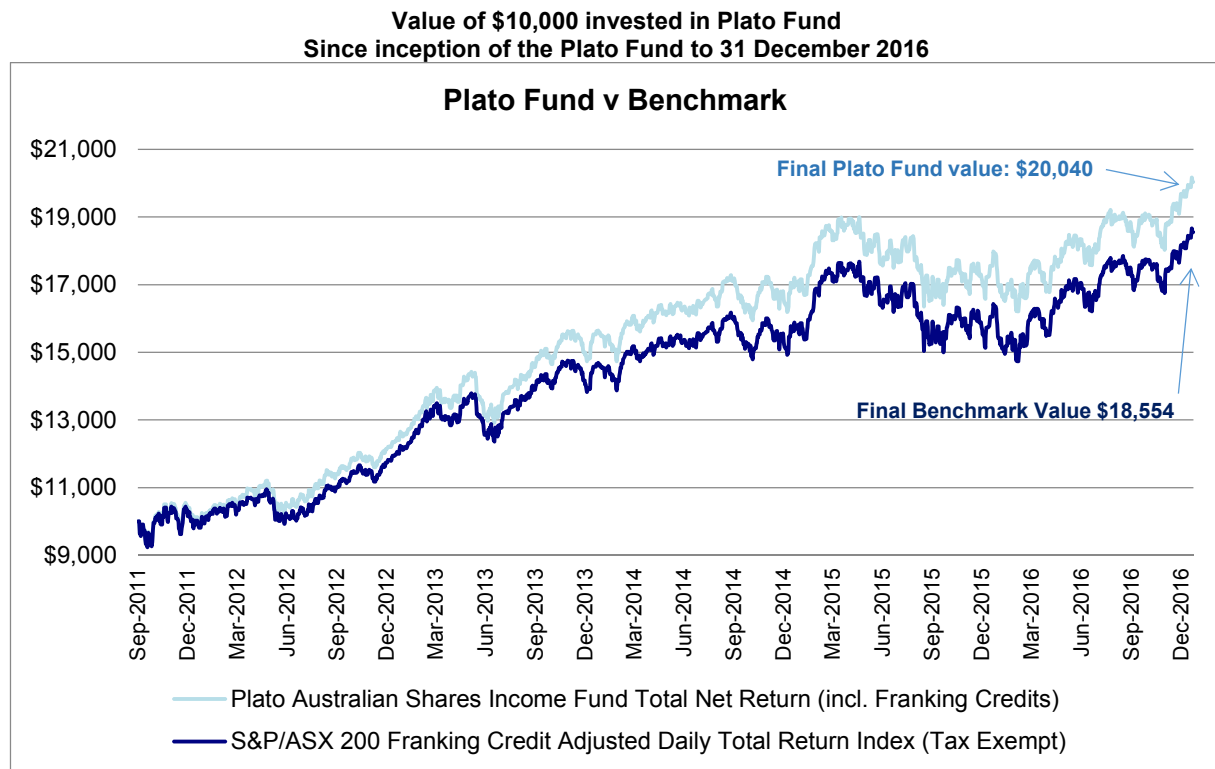
Note:

1. The Yield (%) is the total income distributed each full calendar year since inception to 31 December 2016 as a percentage of the average value of the Plato Fund Portfolio at the start of each quarter during the relevant financial year.
2. The income distributed by the Plato Fund includes the value of franking credits (valued from the perspective of a tax exempt investor) as well as the value of cash distributed. The value of the franking credits component of the income distributed is shown in grey.
3. Past performance is not a reliable indicator of future performance. The historical yield identified above is not intended to be an indication of the future performance of the Company, the Plato Fund or the market. Importantly, the Company may not distribute 100% of the income received from the Plato Fund.

(d) *Comparative investment return*

The graph below conveys the accumulated investment return of \$10,000 invested in the Plato Fund assuming the funds were invested on inception at 9 September 2011 and distributions were reinvested.

The Benchmark investment return has been provided to assist in comparing what return may have been available had the initial \$10,000 been invested in the index on the same date.



Notes:

1. The above table reflects the period commencing 9 September 2011 and ending 31 December 2016.
2. The S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt) has been chosen for comparison purposes only. The graph is not intended to be an indication of future performance of any asset class, index or the Portfolio.
3. The performance of the Plato Fund is calculated in Australian dollars, using monthly exit prices after ongoing fees and expenses and including franking credits (valued from the perspective of a tax exempt investor) but excluding taxation and assumes all distributions are reinvested.
4. The performance of the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt) is based on trading data prepared by S&P Dow Jones Indices. The S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt) index assumes all dividends are reinvested and includes the value of franking credits (valued from the perspective of a tax exempt investor).
5. Past performance is not a reliable indicator of future performance. The relative returns identified above are not intended to be an indication of the future performance of the Company, the Plato Fund Portfolio or the market. Further, the relative returns detailed in the above chart are not indicative of returns that have been achieved by other investment strategies or indicative of returns which other investment managers may have achieved over the same period using a similar strategy.

5.5. Plato Investment Team

Introduction

Don Hamson, as managing director of the Manager, will hold ultimate responsibility for the implementation of the Company's Investment Strategy.

The Manager's investment team (**Plato Investment Team**) comprises at the present time 8 highly experienced investment professionals with deep expertise across different markets. With over 130 years of collective investment experience, the members of the investment team have each seen multiple market cycles and combined are responsible for managing approximately \$3,500,000,000 (as at 31 January 2017) in Australian and global equity portfolios. The Company will be able to draw upon

and benefit from this depth and breadth of experience in the construction and maintenance of the Portfolio.

There have been no adverse regulatory findings against the Manager or any member of the Plato Investment Team.

Plato Investment Team members

Dr Don Hamson – Managing Director PhD (Finance), B.Com (Hons 1st Class)



Don has twenty five years investment management experience and founded the Manager in 2006. Don is an equity holder in the Manager. Don has considerable experience at managing equity portfolios. Don has written a number of white papers on after tax investing and has spoken at many conferences and seminars on this subject.

Prior to founding the Manager, Don was Head of Active Equities, Asia Pacific and a member of the global Senior Management Group at State Street Global Advisors, responsible for over \$10B in active and enhanced equity

investments.

Don previously held various positions at Westpac Investment Management, including Chief Investment Officer, Head of Equities where he managed the \$1B Tax Effective Share Fund, a Westpac appointed director on the board of Hastings Funds Management and was instrumentally involved in the mergers of BT and Rothschild. Prior to Westpac Don was a senior analyst at Queensland Investment Corporation.

Don was a Lecturer in Finance at the University of Queensland (UQ) for 6 years, and was a Visiting Assistant Professor at the University of Michigan Business School. Don has a PhD in Finance and a Bachelor of Commerce with First Class Honours and a University Medal from the University of Queensland.

Todd Kennedy – Senior Portfolio Manager Master App Fin, B.Sc



Todd joined the Manager in the first quarter of 2011. Todd is an equity holder in the Manager and has 23 years of investment experience. Todd has both portfolio management and research responsibilities at the Manager.

Todd was previously Head of Asia Pacific ex Japan Active Equities at State Street Global Advisors, where he managed a team of 7 portfolio managers in Hong Kong and Sydney.

At State Street he was responsible for driving research into quantitative stock selection models, alpha generation, portfolio construction and Environment, Social & Governance development.

Todd previously worked as a client support consultant at Barra specialising in portfolio construction, quantitative risk analysis and performance attribution. Prior to Barra Todd worked as Head of Equity Derivative Research Asia Pacific ex Japan at Merrill Lynch, producing research and providing quantitative support for global sales, trading and proprietary desks. Todd has also held positions at the Sydney Futures Exchange, the ASX and Ord Minnett over his 23 year plus financial career.

Todd has a Bachelor of Science (Griffith University), Graduate Diploma of Applied Finance (SIA) and a Master of Applied Finance (Macquarie University) where he presented his thesis for prediction of futures markets movements with an artificial intelligence expert system.

Manoj Wanzare – Senior Portfolio Manager MBA (Finance), B.Eng (Hons 1st Class)



Manoj has 18 years of investment experience in Australia and Japan. Manoj joined the Manager in April 2007 and is an equity holder in the Manager. Manoj is primarily responsible for market microstructure research and implementation at the Manager.

Manoj was formerly Director, Quantitative Portfolio Manager at Hachibushu Capital in Japan where he was responsible for designing, developing and managing a quantitative long short Asia Pacific (including Australia) strategy within a multiple strategy hedge fund.

Manoj previously worked as a Quantitative Analyst at Nikko Citigroup, Tokyo where he was responsible for researching and developing trade ideas using quantitative models. Manoj has a Bachelor of Engineering (Computer Science) First Class with Distinction from the University of Poona, India, and an MBA (Finance) from McGill University, Canada. His master's thesis was titled "Sector Rotation Model for the Japanese Market."

Dr Peter Gardner – Senior Portfolio Manager PhD (Finance), B.Com (Hons 1st Class)



Peter is a founder and equity holder of the Manager and has 11 years investment experience. Peter specialises in managing Australian equity income portfolios and also conducts quantitative research.

Peter has a PhD from The University of New South Wales where his thesis topic was behaviour of Australian active investment managers. Peter also completed a Bachelor of Commerce degree at the University of New South Wales, majoring in Finance and Actuarial Studies and receiving First Class Honours in Finance. He received a UNSW Co-

op Scholarship in Actuarial Studies, which enabled him to complete industry training with Macquarie Bank and ING in their quantitative research divisions and at Mercer Investment Consulting in their Superannuation division.

Dr Mark Thompson – Senior Portfolio Manager PhD (Mathematics), B.Sc (Hons 1st Class) CFA



Mark joined the Manager in January 2011. Mark is an equity holder in the Manager and has over 15 years of investment experience. Mark's responsibilities include research, systems and portfolio management.

Prior to the Manager, Mark was a Senior Quantitative Research Analyst at GMO with responsibility for long-short and market neutral strategies. His research focus was primarily concerned with the quantitative implementation of equity valuation models and portfolio construction.

Mark was previously a Quantitative Portfolio Manager in Active Australian Equities at State Street Global Advisors. He was responsible for managing long-only and long-short strategies and contributed to process enhancements in the areas of risk analysis and transaction cost estimation among others.

Mark was also a Quantitative Research Analyst at Queensland Investment Corporation, where he was responsible for analysing and reporting levels and concentrations of active risk. There he developed a

quantitative alpha factor model and portfolio optimiser which he used to generate portfolio recommendations for fundamentally oriented portfolio managers.

Mark has a PhD in Mathematics and a Bachelor of Science with First Class Honours from UQ, and holds the CFA designation.

Dr Jonathan Whiteoak – Senior Quantitative Analyst PhD (Astrophysics), B.Sc (Hons 1st Class)



Jonathan Whiteoak joined the Manager at the beginning of 2015 and has 17 years of investment experience researching Australian, Asian and global equities, most recently as Head of the Advanced Research Centre in Sydney within State Street Global Advisors.

At State Street, Jonathan undertook research into quantitative stock selection, the development of alpha forecasting models, and portfolio construction techniques covering long-only, long-short, and 130/30 style strategies. He also led a number of global taskforces involved with the development of global datasets of proprietary factors, and research into factor selection and dynamic active equity models. He has conducted research into alternative beta strategies, and Environment, Social and Governance (ESG) issues, including the development of methods to directly incorporate ESG signals into the portfolio construction process.

Jonathan has a Bachelor of Science degree with First Class Honours, majoring in physics, from the University of Sydney. He went on to obtain a PhD in the field of Astrophysics, with his dissertation involving a survey of the southern plane of our galaxy at radio frequencies, which resulted in the discovery of new celestial objects that led to publications in such scientific journals as “Nature”.

Daniel Pennell – Senior Portfolio Manager B.Sc (Hons) CFA



Daniel joined the Manager in November 2015 and is primarily responsible for managing the global portfolios. Daniel has over 16 years' investment experience.

Prior to the Manager, Daniel was a Portfolio Manager at Realindex Investments, a subsidiary of Colonial First State group, focused on Smart Beta solutions for clients. As the lead manager, he was responsible for all Developed and Emerging Market equity products.

Daniel has also held positions at State Street Global Advisors in Sydney and London. In Sydney, Daniel worked in the Global Structured Products Group as a Senior Investment Manager. He was responsible for managing a broad range of strategies including ETFs, After Tax mandates, Smart Beta and optimised portfolios. In London, Daniel managed active strategies to a model portfolio and a range of global indexed products.

Daniel has a Bachelor of Science with Honours from the University of Birmingham and holds the Chartered Financial Analyst (CFA) designation. Daniel is a member of both the Chartered Financial Analyst Institute and the CFA Society of Sydney.

Wilson Thong – Quantitative Analyst B.Sc (Computer Science), Grad Diploma Applied Finance



Wilson Thong has 15 years investment experience. He joined the Manager from State Street Global Markets in 2015, where he held the position of FX Consultant, responsible for the integration of the FX Connect trading platform within Australia. Prior to this, Wilson held various roles within State Street Global Advisors (**SSGA**), most notably as a Senior Quantitative Analyst within the Advanced Research Centre. During his career at SSGA he participated in the development of proprietary factor libraries with global coverage, formed part of a global taskforce responsible for improving the suite of global active equity models, worked on dynamic

equity models for the Australian market, as well as more broadly within the Asia Pacific developed and emerging markets, including the development and application of new methods designed to incorporate ESG signals into investment portfolios in a rigorous quantitative fashion.

Wilson also brings with him considerable experience in the automation of production processes and in the application of advanced quantitative techniques.

Wilson has a BSc. (Computing Science) from UTS, and a Graduate Diploma of Applied Finance from FINSIA.

6. Risk Factors

6.1. Introduction

There are certain risks generally associated with investing in the securities of publicly listed companies, some of which are set out in Section 6 below. There are also other risks associated more specifically with the Company, including its investment objective and strategies, and the Manager. Key specific risks are set out in Sections 6.2 and 6.3 below.

Some of the events and circumstances described below may negatively impact the Company's investment performance and NTA backing per Share, which may in turn cause the market price of the Company's Shares and Options to fall and may result in the loss of income and the principal you invested. The market price of the Shares and Options may also be directly affected by some of the events and circumstances described below.

While the Company and the Manager have put in place various corporate governance, compliance and risk management systems to mitigate risks, neither the Company nor the Manager can guarantee that these safeguards and systems will be effective. Some risks are outside the control of the Company, the Directors, the Manager and its directors and employees, and cannot be mitigated.

Before making a decision on whether to apply for any Securities under the Offer, you are urged to carefully consider the risks described in this Section 6, which is not an exhaustive list of all the possible risks associated with investing in the Company, as well as any other risk factors that you may consider relevant to such investments. Your financial adviser can assist you in determining the risks of investing in the Company and whether it is suited to your needs and circumstances.

6.2. Key Investment Strategy and Manager risk

The Company's investment activities will expose it to a variety of risks. The Company has identified some of them as being particularly relevant to its Investment Strategy, namely:

- (a) The Company's performance depends on the expertise and investment decisions of the Manager. The Manager's opinion about the intrinsic worth of a company or security may be incorrect, the Company's investment objective may not be achieved and the market may continue to undervalue the securities within the Portfolio from time to time. The past performance of the Investment Strategy (represented by the performance of the Plato Fund from 9 September 2011) is not necessarily a guide to future performance of the Company.
- (b) The success and profitability of the Company in part depends upon the retention of the Manager as manager of the Company and the Plato Fund and the retention of key personnel with the Manager with responsibility for managing the Portfolio. See Section 10.1 for detail on the Investment Management Agreement terms. The ability of the Manager to continue to manage the Portfolio may be compromised by such events as the loss of its AFSL authorisations or non-compliance with conditions under its AFSL authorisations or the Corporations Act. If the Investment Management Agreement is terminated, the Company will need to identify and engage a suitably qualified and experienced manager to implement the Company's Investment Strategy. There is a risk that the Company may not be able to identify a suitable manager within a reasonable period.

6.3. Significant risks of investing in the Company

The following risks should be carefully evaluated before making an investment in the Company. Consideration must also be given to the speculative nature of the Company's investments. The following is not an exhaustive list of the risks of investing in the Company.

Market risk (at the Portfolio level)

The Portfolio will be exposed to market risks. Broad market risks include movements in domestic and international securities markets, movements in foreign exchange rates and interest rates, changes in taxation laws and other laws affecting investments and their value. Certain events may have a negative effect on the price of all types of investments within a particular market. These events may

include changes in economic, social, technological or political conditions, as well as market sentiment. The value of the Company's investments may be impacted by such factors.

Key man risk

The Company has no right to terminate the Investment Management Agreement in the event of a change of control of the Manager or in the event of a material change to the composition of the Plato Investment Team. For example, the Company cannot terminate the Investment Management Agreement if Don Hamson resigns from the Manager. The risk of these events are mitigated by the Manager being majority owned by various members of the Plato Investment Team and by ensuring that the depth of experience on the Plato Investment Team is such that the departure of one or more of the portfolio managers does not impact its ability to implement the Investment Strategy.

Termination risk

Although, the Responsible Entity had indicated it has no current intention to do so, the Responsible Entity has the ability to terminate the Fund IMA. If the Fund IMA is terminated, the Company would need to assess whether or not to redeem its interest in the Plato Fund. If the Company redeems its interests and invest directly, this may adversely impact the Company's ability to pay monthly dividends.

Redemption Risk

The Plato Fund is an unlisted managed investment scheme. Accordingly, the Company will can only exit its investment in the Plato Fund by redeeming its F Class Units. Any delay by the Responsible Entity in executing a redemption request issued by the Company, may adversely impact the Company. The Company notes that under the Plato Fund Constitution the Responsible Entity may not suspend redemptions for longer than 30 days.

Equity risk

There is a risk that securities will fall in value over short or extended periods of time. Security markets tend to move in cycles, and individual share prices may fluctuate and underperform other asset classes over extended periods of time. Shareholders are exposed to this risk both through their holdings in Shares and Options in the Company as well as through the Company's investment. In respect of the equity risk within the Portfolio, the Company aims to minimise this risk through the Manager's careful analysis of each security the Company invests in and the Manager's strategy of constructing a diversified portfolio.

Responsible entity risk

The Company will seek to achieve its investment objectives by investing in the Plato Fund. As a unitholder in the Plato Fund, the Company will be reliant on the Responsible Entity properly performing its duties, including complying with the terms of the Plato Fund Constitution, the Corporations Act and other applicable law. Accordingly, the Company will be subject to the risk that the Responsible Entity acts in breach of its legal obligations which may adversely impact the value of the Company's investments.

Further, the units held by the Company will be valued by the administrator appointed by the Responsible Entity. There is a risk that the valuations of the units may be calculated in error or delayed.

The Responsible Entity may in accordance with the Corporations Act be replaced as responsible entity of the Plato Fund (voluntarily, by a resolution passed by the unitholders of the Plato Fund or by court order). The replacement of the Responsible Entity may result in disruptions to the operation of the Plato Fund.

While the Responsible Entity has an ability to change the investment return objectives, asset classes and asset allocation ranges of the Plato Fund, it may only do so if it considers the changes to be in the best interests of all members.

Regulatory risk

All investments carry the risk that their value may be affected by changes in laws and regulations, especially taxation laws. Regulatory risk includes risk associated with variations in the taxation laws of Australia, including the franking credit regime. The Manager's portfolio construction process aims to maintain a well diversified portfolio of companies which assists to minimise regulatory risk specific to individual securities.

Counterparty risk

Investment in securities and financial instruments generally involves third parties as counterparties to contracts. Use of third parties carries risk of default which could adversely affect the value of the Company.

The Company will outsource key operational functions including investment management and administrative support services (i.e. accounting and company secretarial services) to third party service providers. There is a risk that third party service providers may breach their obligations to the Company or provide services below standards which are expected by the Company, causing loss to the Company.

The Company aims to keep this risk to a minimum by regularly monitoring its key service providers.

In addition, the Responsible Entity outsources key operational functions for the Plato Fund including investment management, custody, administration and valuation to a number of third party service providers. There is a risk that third party service providers may breach their obligations to the Responsible Entity or provide services below standards which are expected, causing loss to the Plato Fund and, in turn, the Company.

Liquidity risk

There is a risk that one or more of the securities in the Plato Fund Portfolio (from time to time) may become illiquid. This can result in a loss if the Manager needs to sell it within a particular time frame.

The Manager will seek to minimise liquidity risks by:

- (a) ensuring that there is no significant exposure to illiquid or thinly traded financial instruments; and
- (b) being aware of liquidity when constructing and managing the Portfolio to ensure that there is no undue concentration of liquidity risk to a particular security.

Company risk

The Company is a new entity with no operating history and no proven track record.

Structure risk

The Manager is required to make investments consistent with the Investment Strategy of the Company outlined in this Prospectus. In the event that the Plato Fund's investment objectives, strategies or permitted investments are no longer consistent with those of the Company, the Manager will be expected to consider alternative avenues, in consultation with the Company, to meet the investment objectives of the Company, such as investing directly in Australian listed equities, SPI futures and cash or investing in another managed investment scheme that states the Company's investment objectives. If the Company does invest directly, rather than through the Plato Fund or another managed investment scheme, this may adversely impact the Company's ability to pay monthly dividends.

6.4. Risks associated with investment in Shares and Options

The prices at which Shares and Options will trade on the ASX are subject to a number of risks, including:

Operational costs

Operational costs for the Company as a proportion of total assets will be affected by the level of acceptance of the Offer. Operational costs representing a greater proportion of total assets will reduce the operating results of the Company and its ability to pay dividends.

Dividend risk

The Company's ability to pay a fully or partly franked dividend is contingent on it making taxable profits. No guarantee can be given concerning the future earnings of the Company, the earnings and capital appreciation of the Company's Portfolio or the return of your investment. The Manager may make poor investment decisions which may result in the Portfolio's return being inadequate to pay dividends to security holders.

Market risk

Share markets tend to move in cycles, and individual securities prices may fluctuate and underperform other asset classes over extended periods of time. The value of Shares and Options listed on the ASX may rise or fall depending on a range of factors beyond the control of the Company. Shareholders in the Company are exposed to this risk both through their holding in Shares and Options as well as through the Company's investment in the Plato Fund.

Economic risk

Investment returns are influenced by numerous economic factors. These factors include changes in the economic conditions (e.g. changes in interest rates or economic growth), changes to the legislative and political environment, as well as changes in investor sentiment.

In addition, exogenous shocks, natural disasters and acts of terrorism and financial market turmoil (such as the global financial crisis) can (and sometimes do) add to equity market volatility as well as impact directly on individual entities. As a result, no guarantee can be given in respect of the future earnings of the Company or the earnings and capital appreciation of the Portfolio or appreciation of the Share price.

Liquidity risk

The Company will be a listed entity, therefore the ability to sell Shares and Options will be a function of the turnover of the Shares and Options at the time of sale. Turnover itself is a function of the size of the Company and also the cumulative investment intentions of all current and possible investors in the Company at any one point in time.

Discount to NTA

The Company will be listed on the ASX and may not trade in line with the underlying value of the Company's investments. The Company may trade at a discount or a premium to its NTA.

6.5. Other risk factors

Before deciding to subscribe for Securities, investors should consider whether Shares and Options are a suitable investment.

There may be tax implications arising from the application for Shares and Options, the receipt of dividends (both franked and unfranked) from the Company, participation in any dividend reinvestment plan of the Company, participation in any on market share buy-back and on the disposal of Shares or Options. Investors should carefully consider these tax implications and obtain advice from an accountant or other professional tax adviser in relation to the application of tax legislation.

If you are in doubt as to whether you should subscribe for Shares and Options, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant or other professional adviser immediately.

6.6. Time frame for investment

The Company's objective is to achieve returns in excess of the Benchmark over a full investment cycle (which the Manager considers to be a period of typically 3 to 5 years).

Investors are strongly advised to regard any investment in the Company as a long term proposition (5+ years) and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur over that period.

In addition, the above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities. Therefore, there is no guarantee with respect to the payment of dividends, returns of capital or the market value of the Securities.

You should consider that an investment in the Company is speculative and consult your professional adviser before deciding whether to apply for the Securities.

7. Financial Position of the Company

7.1. Proceeds of the Issue

The Board intends to use the funds raised from the Offer for investment consistent with the investment objectives and investment process set out in Section 4.

7.2. Unaudited pro forma statement of financial position

The pro forma statements of financial position set out below have been prepared to illustrate the effects of the pro forma adjustments described below for the different subscription amounts as if they had occurred on 10 January 2017, being the incorporation date of the Company, including:

- completion of the Offer based on each of the amounts indicated being raised; and
- payment of expenses (which have been deducted from the cash amount) which consist of the Offer related expenses in accordance with Section 7.6 below.

It is intended to be illustrative only and it neither reflects the actual position of the Company as at the date of this Prospectus nor at the conclusion of the Offer.

The pro forma statements of financial position have been prepared in accordance with the accounting policies set out in Section 7.7 below.

Plato Income Maximiser Limited
Unaudited Pro Forma Balance Sheet
Assumes completion of the Offer

The unaudited pro forma statements of financial position are presented in summary form only and do not comply with the presentation and disclosure requirements of Australian Accounting Standards.

The information in this Section should also be read in conjunction with the Risk Factors set out in Section 6 and other information contained in this Prospectus.

	Minimum Subscription \$75 million (\$'000)	Subscription \$110 million (\$'000)	Maximum Subscription \$220 million (\$'000)	Over Subscription \$330 million (\$'000)
<u>Assets</u>				
Cash	72,471	106,550	213,651	320,783
Receivables	129	189	378	567
Deferred Tax Asset	720	978	1,791	2,595
Total Assets	73,320	107,717	215,820	323,945
Total Liabilities	-	-	-	-
Net Assets	73,320	107,717	215,820	323,945
Equity				
Contributed Equity	75,000	110,000	220,000	330,000
Less: Capitalised costs of the offer	(1,677)	(2,280)	(4,177)	(6,052)
Costs not eligible to be Capitalised	(3)	(3)	(3)	(3)
Total Equity	73,320	107,717	215,820	323,945
NAV backing per Share (\$)	1.075	1.077	1.079	1.080

7.3. Capital structure

The anticipated capital structure of the Company on completion of the Issue is set out below:

	Minimum Subscription \$75 million	Subscription \$110 million	Maximum Subscription \$220 million	Over Subscription \$330 million
Shares on issue	68,181,819	100,000,001	200,000,001	300,000,001
Options on issue	68,181,818	100,000,000	200,000,000	300,000,000

As at the date of this Prospectus, Don Hamson holds the sole Share on issue in the Company.

7.4. Cash

A reconciliation of the pro forma statements of financial position for cash is as below:

	Minimum Subscription \$75 million (\$)	Subscription \$110 million (\$)	Maximum Subscription \$220 million (\$)	Over Subscription \$330 million (\$)
Initial Subscriber Share	1	1	1	1
Proceeds of Offer	75,000,000	110,000,000	220,000,000	330,000,000
Expenses of Offer – refer to Section 7.6	1,680,156	2,282,911	4,179,361	6,054,867
Deferred Tax Asset	720,067	978,391	1,791,155	2,594,943
GST Receivable	128,864	189,000	378,000	567,000
Estimated net cash position	72,470,914	106,549,699	213,651,485	320,783,191

7.5. Assumptions

These unaudited pro forma statements of financial position and the information in Sections 7.2, 7.3 and 7.4 have been prepared on the basis of the following assumptions:

- Application of the proposed accounting policies and notes to the accounts set out in Section 7.7.
- In the unaudited pro forma statement of financial position entitled "Minimum Subscription \$75,000,000", the reference is to issuing 68,181,818 Shares and 68,181,818 Options to Applicants under this Prospectus.
- In the unaudited pro forma statement of financial position entitled "Subscription \$110,000,000", the reference is to issuing 100,000,000 Shares and 100,000,000 Options to Applicants under this Prospectus.
- In the unaudited pro forma statement of financial position entitled "Maximum Subscription \$220,000,000", the reference is to issuing 200,000,000 Shares and 200,000,000 Options to Applicants under this Prospectus.
- In the unaudited pro forma statement of financial position entitled "Over Subscription \$330,000,000", the reference is to issuing 300,000,000 Shares and 300,000,000 Options to Applicants under this Prospectus.

- (f) The Company will derive income of a sufficient nature and amount to enable recognition of a deferred tax asset for the capital raising costs.
- (g) The costs incurred by the Company in respect of the Offer referred to in this Section are net of deferred tax asset, in accordance with Australian Accounting Standards and the accounting policy note in Section 7.7. This means that the tax benefit (a 30% tax deduction) is applied to these costs to reduce them by 30%. The cash outlay of an expense is gross of this tax benefit. For example, an outlay described in this Section as \$70 (net of tax) is a cash outlay of \$100 less the tax benefit of a \$30 income tax deduction.
- (h) Expenses of the Offer have been paid and are recognised in equity net of tax (refer to Section 7.6).
- (i) The Company will pay a Broker Firm selling fee equal to 1.50% (inclusive of GST) which is equivalent to 1.36% (plus GST) of the Application Monies provided with valid Application Forms bearing a Licensee's stamp to the extent Shares and Options are allotted under the Broker Firm Offer and the Applications or commitments to lodge Application Forms (with respect to the Broker Firm Offer) are received before the Closing Date. No fee will be payable on General Offer or Priority Allocation Applications.
- (j) For the purpose of the unaudited pro forma statement of financial position, it has been assumed that the Broker Firm selling fee of 1.36% (plus GST) will be paid on:
 - (i) 80.0% of Applications in respect of the Minimum Subscription of \$75,000,000;
 - (ii) 80.0% of Applications in respect of the Subscription of \$110,000,000;
 - (iii) 80.0% of Applications in respect of the Maximum Subscription of \$220,000,000; and
 - (iv) 80.0% of Applications in respect of the Over Subscription of \$330,000,000.
- (k) The Company will pay the Lead Arranger an arranger fee equal to 0.10% (plus GST) of the total proceeds raised under the Offer and the Joint Lead Managers a management fee equal to 1.10% (plus GST) of the total proceeds raised under the Offer (split equally between them).

7.6. Expenses of the Offer

The Company will pay from the proceeds of the Offer the expenses of the Offer including legal, accounting and taxation, printing and initial ASX listing fees.

These expenses have been estimated at \$1,680,156 (net of tax) assuming the Minimum Subscription is achieved, \$4,179,361 (net of tax) assuming the Maximum Subscription is achieved and \$6,054,867 (net of tax) assuming the Over Subscription is achieved.

A breakdown of these expenses (including GST), assuming the Minimum Subscription of Applications for \$75,000,000 Subscription of Applications for \$110,000,000, Maximum Subscription of Applications for \$220,000,000 and oversubscription of Applications for \$330,000,000 is provided below:

	Minimum Subscription \$75 million (\$)	Subscription \$110 million (\$)	Maximum Subscription \$220 million (\$)	Over Subscription \$330 million (\$)
Joint Lead Manager fees (both the management fee and the Arranger fee)	1,890,000	2,772,000	5,544,000	8,316,000
Legal fees	153,000	153,000	153,000	153,000
Investigating accountant fees	33,000	33,000	33,000	33,000

	Minimum Subscription \$75 million (\$)	Subscription \$110 million (\$)	Maximum Subscription \$220 million (\$)	Over Subscription \$330 million (\$)
ASX fees	182,875	215,600	318,450	391,380
ASIC lodgement fees	2,320	2,320	2,320	2,320
Other expenses	267,892	274,382	297,746	321,110
Total estimated gross expenses of the Offer	2,529,087	3,450,302	6,348,516	9,216,810
Less: Deferred tax asset	(720,067)	(978,391)	(1,791,155)	(2,594,943)
Less: GST Receivable	(128,864)	(189,000)	(378,000)	(567,000)
Total estimated expenses of the Offer	1,680,156	2,282,911	4,179,361	6,054,867

7.7. Proposed significant accounting policies and notes to accounts

A summary of significant accounting policies that have been adopted in the preparation of unaudited pro forma statements of financial position set out in Section 7.2 or that will be adopted and applied in preparation of the financial statements of the Company for the period ended 30 June 2017 and subsequent periods is set out as follows:

(a) Basis of preparation

The pro forma statement of financial position has been prepared in accordance with Australian Accounting Standards and Interpretations, issued by the AASB and the Corporations Act, as appropriate for for-profit oriented entities (as modified for inclusion in the Prospectus).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial information presented in the Prospectus is presented in an abbreviated form and does not contain all of the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act. The pro forma statements of financial position have been prepared on the basis of assumptions outlined in Section 7.5.

The pro forma statements of financial position have been prepared on an accrual basis and are based on historical costs.

(b) Investments

(i) Classification

Fair value through other comprehensive income

The Company has designated its investment in Plato Fund as long-term investments as "fair value through other comprehensive income". All gains and losses on long-term investments and tax thereon are presented in other comprehensive income as part of the Statement of Comprehensive Income.

Financial instruments held for trading

Should the company acquire instruments with an intent to sell them, including futures, forward contracts, options and interest rate swaps, these instruments will be designated at fair value through profit or loss upon initial recognition.

(ii) Recognition/Derecognition

Financial assets and liabilities at fair value through profit or loss and available for sale financial assets are recognised initially on the trade date at which the Company becomes party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they originated.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial asset and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(iii) Measurement

At initial recognition, the Company measures its financial assets at fair value.

Transaction costs of financial assets carried at fair value through other comprehensive income are directly attributable to the acquisition of the financial asset.

Subsequent changes in fair value of financial assets carried at fair value through other comprehensive income are recognised through the investment portfolio revaluation reserve after deducting a provision for the potential deferred capital gains tax liability as these investments are long-term holding of equity investments.

When an instrument held at fair value through other comprehensive income is disposed, the cumulative gain or loss, net of tax thereon, is transferred from the investment portfolio revaluation reserve to the investment portfolio realised gains/losses reserve.

(iv) Fair value measurement

When a financial asset is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset, assuming they act in their economic best interests. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets measured at fair value are classified, into three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Unlisted Equities

The Company intends to value its investments in unlisted unit trusts using the unit prices derived from the unaudited net assets of the unlisted unit trusts. If all significant inputs required to fair value these instrument are observable, the instrument will be included in level 2.

Listed Equities

Shares that are listed or traded on an exchange are fair valued using last sale prices, as at the close of business on the day the shares are being valued. If a quoted market price is not available on a recognised security exchange, the fair value of the instruments are estimated using valuation techniques, which include the use or recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation techniques that provide a reliable estimate of prices obtained in actual market transactions.

(v) Income and Expenditure

Interest income and expenses, including interest income and expenses from non-derivative financial assets, are recognised in the statement of profit or loss as they accrue, using the effective interest method of the instrument calculated at the acquisition date. Interest income includes the amortisation of any discount or premium, transaction costs or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis. Interest income is recognised on a gross basis, including any withholding tax, if any.

Dividend income relating to exchange-traded equity instruments is recognised in the statement of profit or loss on the ex-dividend date with any related foreign withholding tax recorded as an expense.

Trust distributions (including distributions from cash management trusts) are recognised on a present entitlements basis and recognised in the statement of profit or loss on the day the distributions are announced.

All expenses, including investment management fees, are recognised in the statement of profit or loss on an accrual basis.

(c) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

(d) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), unless GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the Statement of Financial Position.

(e) **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) **Share capital**

Ordinary shares will be classified as equity. Costs directly attributable to the issue of ordinary shares will be recognised as a deduction from equity, net of any tax effects.

(g) **Share option reserve**

The share option reserve will be measured at the fair value of the Options at the date of issue. This reserve is adjusted, with a corresponding entry to share capital, on exercise of the Options. At the expiration of the Option period, the portion of the reserve relating to unexercised Options will be transferred to a capital reserve.



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1 March 2017

Board of Directors
Plato Income Maximiser Limited
Level 35, 60 Margaret Street
Sydney NSW 2000

Dear Directors

PART 1: INDEPENDENT LIMITED ASSURANCE REPORT ON PLATO INCOME MAXIMISER LIMITED PRO FORMA HISTORICAL FINANCIAL INFORMATION

8.1 INTRODUCTION

The Directors of Plato Income Maximiser Limited (the "*Company*") have engaged Pitcher Partners Sydney Corporate Finance Pty Ltd ("*Pitcher Partners*") to report on the pro forma historical financial information of the Company as at 10 January 2017.

We have prepared this Independent Limited Assurance Report ("*Report*") to be included in a Prospectus dated on or about 1 March 2017 and relating to the offer of up to 300,000,000 fully paid ordinary Shares at an offer price of \$1.10 per share to raise up to \$330,000,000 should the Maximum Subscription be raised and all over subscriptions be accepted.

The Minimum Subscription is 68,181,818 fully paid ordinary Shares. The Offer is not underwritten.

Under the Offer, there will also be an entitlement to one Option for every Share subscribed for, which will be exercisable at an exercise price of \$1.10 per Option, on or before 29 April 2019.

Unless stated otherwise, expressions defined in the Prospectus have the same meaning in this Report and section references are to sections of the Prospectus.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence ("*AFSL*") under the Corporations Act. Pitcher Partners holds the appropriate AFSL authority under the Corporations Act. Refer to our Financial Services Guide included as Part 2 of this Report.

8.2 BACKGROUND

The Company was incorporated on 10 January 2017 and has not traded. As at the date of this Report, the Company has 1 Share and no Options on issue and has net assets of \$1.

8.3 SCOPE

This Report deals with the pro forma financial information included in Section 7 of the Prospectus ("*Financial Information*"). The Financial Information consists of the pro forma statements of financial positions as at 10 January 2017 and related notes as set out on page 47 of the Prospectus.

The unaudited pro forma statements of financial position in Section 7.2 have been prepared to illustrate the financial position of the Company on completion of the Offer and have been prepared on the basis of the recognition and measurement principles contained in Australian Accounting Standards

applied to the historical financial information and the events to which the pro forma assumptions relate, as described in Section 7.5 of the Prospectus, as if those events had occurred as at 10 January 2017. Due to its nature, the pro forma historical financial information does not represent the Company's actual or prospective financial position.

The pro forma statements of financial position are presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports.

Pitcher Partners disclaims any responsibility for any reliance on this Report or the financial information to which it relates for any purpose other than that for which it was prepared. This Report should be read in conjunction with the full Prospectus and has been prepared for inclusion in the Prospectus.

8.4 DIRECTORS' RESPONSIBILITIES

The Directors of the Company are responsible for the preparation and presentation of the pro forma statements of financial position including the selection and determination of pro forma assumptions, accounting policies and the notes included in the pro forma historical financial information. This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of the pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

8.5 OUR RESPONSIBILITIES

Our responsibility is to express a limited assurance conclusion on the pro forma historical financial information included in Section 7 of the Prospectus based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion on the pro forma historical financial information of the Company.

Our engagement did not involve updating or re issuing any previously issued audit or review report on any financial information used as a source of the financial information.

8.6 CONCLUSION

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that the pro forma historical financial information (being the pro forma statements of financial position of the Company) are not presented fairly, in all material respects, in accordance with the assumptions described in Section 7.5 of the Prospectus and the stated basis of preparation as described in Section 7.2 of the Prospectus.

8.7 RESTRICTION ON USE

Without modifying our conclusions, we draw attention to Section 7 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

Investors should consider the statement of investment risks set out in Section 6 of the Prospectus.

8.8 LEGAL PROCEEDINGS

To the best of our knowledge and belief, there are no material legal proceedings outstanding or currently being undertaken, not otherwise disclosed in this Report, which would cause the information included in the Report to be misleading.

8.9 NO OTHER EVENTS

Apart from the matters dealt with in this Report, and having regard to the scope of our Report, to the best of our knowledge and belief no other material transactions or events outside of the ordinary business of the Company have come to our attention, that would require comment on, or adjustment to the information referred to in our Report, or that would cause such information to be misleading or deceptive.

8.10 SOURCES OF INFORMATION

Pitcher Partners has made enquiries of the Directors, the Manager and other parties as considered necessary during the course of our analysis of the pro forma historical financial information of the Company. We have also referred to the Prospectus and material documents which relate to the proposed operations of the Company.

We have no reason to believe the information supplied is not reliable.

8.11 INDEPENDENCE OR DISCLOSURE OF INTEREST

Pitcher Partners has no financial or other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion on the matters that are subject of this Report for which normal professional fees will be received.

Neither Pitcher Partners Sydney Corporate Finance Pty Ltd, Pitcher Partners Sydney Wealth Management Pty Ltd, any director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee payable to Pitcher Partners in connection with the preparation of our Report for which normal professional fees will be received.

8.12 LIABILITY

Pitcher Partners has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report, this consent has not been withdrawn.

The liability of Pitcher Partners is limited to the inclusion of this Report in the Prospectus. Pitcher Partners has not authorised the issue of the Prospectus. Accordingly, Pitcher Partners makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from, the Prospectus.

8.13 FINANCIAL SERVICES GUIDE

We have included our Financial Services Guide as Part 2 of this Report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours faithfully

Pitcher Partners Sydney Corporate Finance Pty Ltd



Scott Whiddett
Director

PART 2 - FINANCIAL SERVICES GUIDE

1. Pitcher Partners Sydney Corporate Finance Pty Ltd

Pitcher Partners Sydney Corporate Finance Pty Ltd ("**Pitcher Partners**") is an authorised representative of Pitcher Partners Sydney Wealth Management Pty Ltd ("**Licence Holder**") in relation to Australian Financial Services Licence No. 336950.

Pitcher Partners may provide the following financial services to wholesale and retail clients as an authorised representative of the Licence Holder:

- Financial product advice in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds, deposit and payment products, life products, retirement savings accounts and superannuation (collectively "**Authorised Financial Products**"); and
- Applying for, varying or disposing of a financial product on behalf of another person in respect of Authorised Financial Products.

2. Financial Services Guide

The Corporations Act 2001 requires Pitcher Partners to provide this Financial Services Guide ("**FSG**") in connection with its provision of an Investigating Accountant's Report ("**Report**") which is included in the Prospectus provided by Plato Income Maximiser Limited (the "**Entity**").

3. General Financial Product Advice

The financial product advice provided in our Report is known as "general advice" because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in our Report is appropriate for you, having regard to your own personal objectives, financial situation or needs. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence ("**AFSL**") to assist you in this assessment.

4. Remuneration

Pitcher Partners' client is the Entity to which it provides the Report. Pitcher Partners receives its remuneration from the Entity. Our fee for the Report is based on a time cost or fixed fee basis. This fee has been agreed in writing with the party who engaged us. Neither Pitcher Partners nor its Directors and employees, nor any related bodies corporate (including the Licence Holder) receive any commissions or other benefits in connection with the preparation of this Report, except for the fees referred to above.

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of Pitcher Partners or related entities but any bonuses are not directly connected with any assignment and in particular not directly related to the engagement for which our Report was provided.

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connections with the reports that we are licensed to provide.

5. Independence

Pitcher Partners is required to be independent of the Entity.

Neither Pitcher Partners, Pitcher Partners Sydney Wealth Management Pty Ltd, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee in connection with the preparation of our Report for which professional fees in the order of \$30,000 (excluding GST) will be received. No pecuniary or other benefit, direct or indirect, has been received by Pitcher Partners, their Directors or employees, or related bodies corporate for or in connection with the preparation of this Report.

6. Complaints Resolution

Pitcher Partners is only responsible for its Report and this FSG. Complaints or questions about the Prospectus should not be directed to Pitcher Partners which is not responsible for that document.

Both Pitcher Partners and the Licence Holder may be contacted as follows:

- By phone: (02) 9221 2099
- By fax: (02) 9223 1762
- By mail: GPO Box 1615
SYDNEY NSW 2001

If you have a complaint about Pitcher Partners' Report or this FSG you should take the following steps:

1. Contact the Enquiries and Complaints Officer of the Licence Holder on (02) 9221 2099 or send a written complaint to the Licence Holder at Level 22, MLC Centre 19 Martin Place, Sydney NSW 2000. We will try and resolve your complaint quickly and fairly.
2. If you still do not get a satisfactory outcome, you have the right to complain to the Financial Industry Complaints Service at PO Box 579 Collins St West, Melbourne, Victoria 8007 or call on 1300 78 08 08. We are a member of this scheme.
3. The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

The Licence Holder, as holder of the AFSL, gives authority to Pitcher Partners to distribute this FSG.

9. Directors of the Company

9.1. Introduction

The Company believes that the Manager has the skill, depth of knowledge and history of achieving results using the Investment Strategy and processes to manage this Portfolio.

The Manager will be overseen by the Board of Directors who have a broad range of experience in investment management combined with financial and commercial expertise.

The following table provides information regarding the Directors, including their positions:

Director	Position	Independence
Jonathan Trollip	Chairman	Independent
Katrina Onishi	Non-executive Director	Independent
Lorraine Berends	Non-executive Director	Independent
Alex Ihlenfeldt	Non-executive Director	Non Independent
Don Hamson	Non-executive Director	Non Independent

9.2. Background of the Directors



Jonathan Trollip – Chairman Jonathan Trollip is an experienced Director with over 30 years of commercial, corporate, governance, legal and transaction experience.

Jonathan is currently non-executive chairman of ASX listed Global Value Fund Limited, Future Generation Investment Company Limited and Antipodes Global Investment Company and a non-executive director of ASX listed Kore Potash Limited. He holds commercial private company directorships with Meridian International Capital Limited and BCAL Diagnostics Pty Ltd. In the philanthropy area he is

chairman of Science for Wildlife Limited, and a director of The Watarrka Foundation and the University of Cape Town Australia Alumni Trust.

Jonathan has worked as a principal of Meridian for the past 22 years. Prior to that, he was a Partner with law firm Herbert Smith Freehills. He holds postgraduate degrees in economics and law, was admitted as a qualified lawyer in England and Australia and is a Fellow of the Australian Institute of Company Directors.

Katrina Onishi – Independent Director



Katrina is an Independent Non-Executive Director on the Board of Scottish Pacific Limited and a member of the Audit and Risk Committee. Katrina is also a director and advisor to several not for profit organisations. Until 2010 Katrina was an executive director of Concord Capital Limited (**Concord**), a boutique funds management business that she co-founded in 2000. Prior to co-founding Concord, Katrina held several funds management roles both in Australia and overseas.

Katrina holds a Bachelor of Arts (Hons) from the University of Sydney and is a Chartered Financial Analyst.

Katrina is a member of the CFA Institute, a Graduate Member of the Australian Institute of Company Directors and a Fellow of the Financial Services Institute, Australasia.

Lorraine Berends – Independent Director



Lorraine has worked for over 30 years in the pension and investment industries, and possesses extensive experience in both the investment management and superannuation fields.

Lorraine serves on the BT Financial Group Superannuation Board, the Board of the MDC Foundation and is a member of the investment committee of QSuper. Lorraine is a non-executive director of Antipodes Global Investment Company Limited, an ASX listed investment company. She served on the Board of the Association of Superannuation Funds of Australia for 12 years and the Board of the Investment Management Consultants Association for 13 years, and has been awarded Life Membership of both associations.

Lorraine is a Fellow of the Institute of Actuaries of Australia, a Fellow of ASFA, a Member of the Australian Institute of Company Directors and holds a BSc from Monash University, Melbourne.

Don Hamson – Non-Independent Director

Refer section 5.5 for details.

Alex Ihlenfeldt – Non-Independent Director



Alex Ihlenfeldt has over 25 years commercial experience in financial services in Australia and overseas and has proven expertise in the provision of the full suite of turn-key, institutional quality non-investment services for investment managers. He is experienced in operating across the full spectrum, from start-up boutiques to mature investment managers.

Alex is currently Chief Operating Officer and Chief Financial Officer of Pinnacle Investment Management Limited with whom he has been associated since inception in 2006. Prior to joining Pinnacle in 2011, he spent 10 years with the Wilson HTM Investment Group as Chief Operating Officer, Chief Financial Officer and Head of Wealth Management.

Alex has a Bachelor of Commerce (Hons) and is a member of the Institute of Chartered Accountants Australian and New Zealand as well as a Fellow of the Australian Institute of Company Directors.

Alex is a director of both the Responsible Entity and the Manager. Alex is a Director of each of Pinnacle, Solaris Investment Management Limited, Antipodes Partners Limited, an Alternate Director of Resolution Capital Limited and he is Chairman of the Pinnacle Fund Services Limited's Compliance Committee. Alex is a non-independent director of Antipodes Global Investment Company Limited.

9.3. Independent Directors

Jonathan Trollip, Katrina Onishi and Lorraine Berends, being independent Directors, are free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of the person's judgement.

9.4. Director disclosures

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director.

No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

9.5. The role of the Board

The Directors will ensure the Company has corporate governance procedures and that those procedures are followed. In addition, the Board will be responsible for reviewing the Manager's performance and ensuring compliance with the Investment Management Agreement terms.

The members of the Board may implement capital management strategies (in line with the policy set out in Section 4.11) from time to time.

It is expected that Board meetings will be held at least quarterly and more frequently as required.

The Company has outsourced its investment management functions to the Manager in accordance with the Investment Management Agreement. The accounting and share registry have been outsourced to various service providers. The Board will oversee the performance of the Manager and other service providers.

Each Director has confirmed that, notwithstanding their other commitments, they will be available to spend the required amount of time on the Company's affairs including attending Board meetings of the Company.

9.6. Participation by Directors

Don Hamson currently holds one Share in the Company, which was issued on incorporation.

The Directors, and entities associated with them, are permitted to participate in the Offer. At completion of the Offer the Directors are expected to have a Relevant Interest in the following numbers of Securities:

Director	Shares	Options
Jonathan Trollip	50,000	50,000
Katrina Onishi	50,000	50,000
Lorraine Berends	50,000	50,000
Don Hamson	250,001	250,000
Alex Ihlenfeldt	50,000	50,000

9.7. No other interests

Except as set out in this Prospectus, there are no interests that exist at the date of this Prospectus and there were no interests that existed within two years before the date of this Prospectus that are, or were respectively, interests of a Director, a proposed Director of the Company or a promoter of the Company or in any property proposed to be acquired by the Company in connection with its formation or promotion or the Offer.

Further, there have been no amounts paid or agreed to be paid to a Director in cash or securities or otherwise by any persons either to induce them to become or to qualify them as a Director or otherwise, for services rendered by them in connection with the promotion or formation of the Company.

9.8. Directors' remuneration

The Company's independent (non-executive) Directors are entitled to receive Directors' fees of up to \$250,000 per annum to be shared among the independent (non-executive) Directors. The Company's non-independent (non-executive) Directors, Alex Ihlenfeldt and Don Hamson will not receive Directors' fees from the Company.

Additional remuneration may be paid in accordance with the Company's Constitution. As at the date of the Prospectus, the Company has agreed to pay the independent (non-executive) Directors' the following annual fees:

Director	Director's Fees
Jonathan Trollip	\$40,000
Katrina Onishi	\$30,000
Lorraine Berends	\$30,000

For the year ending 30 June 2017 the Directors will be paid a pro rata amount calculated by reference to the date of this Prospectus.

The remuneration for Directors will be reviewed by the Board on a periodic basis as the Company develops its business and, subject to the Listing Rules, may be increased.

9.9. Indemnity for Directors

The Company has agreed to provide an indemnity to the Directors in limited circumstances. See Section 10.4 for details.

9.10. Corporate governance policies

The Board has the responsibility of ensuring the Company is properly managed so as to protect and enhance Shareholders' interests in a manner that is consistent with the Company's responsibility to meet its obligations to all parties with which it interacts. To this end, the Board has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and the nature of activities.

The Board endorses the Corporate Governance Principles and Recommendations (ASX Recommendations) published by the ASX Corporate Governance Council and has adopted corporate governance charters and policies reflecting those ASX Recommendations (to the extent that such principles and recommendations are applicable to an entity of the size and structure of the Company). These will be available on the section of the Manager's website dedicated to the Company, at www.plato.com.au.

The Board will review the corporate governance policies and structures that the Company has in place on an ongoing basis to ensure that these are appropriate for the size of the Company and nature of its activities, and that these policies and structures continue to meet the corporate governance standards to which the Board is committed.

9.11. Related party disclosures

Each Director has entered into a director protection deed with the Company pursuant to which the Company has agreed to, amongst other things, indemnify (to the extent permitted by law) each Director in respect of certain liabilities incurred in their capacity as Directors. These deeds contain standard commercial terms and are consistent with market practice (see Section 10.4).

The non-independent Directors, Don Hamson and Alex Ihlenfeldt, will benefit from the entry by the Manager into the Investment Management Agreement through the payment of fees under agreement as directors of, and minority stakeholders in, the Manager. In addition to both being directors of the Manager, Don Hamson is a minority shareholder in the Manager and Alex Ihlenfeldt is a minority shareholder in Pinnacle, an entity that indirectly owns approximately 48% of the Manager. Details of the financial benefit payable under the Investment Management Agreement are included in Section 10.1. In light of this benefit, the Company has agreed that the non-independent Directors will not receive Directors' fees from the Company.

Under the direction of the Board, Pinnacle will provide accounting and company secretarial services reasonably required by the Company to conduct its business. These services may include:

- (a) portfolio reconciliation services (if required);
- (b) maintenance of the corporate and statutory records of the Company;
- (c) liaison with ASIC with respect to compliance with the Corporations Act;
- (d) liaison with ASX with respect to compliance with the Listing Rules; and
- (e) liaison with the Company's service providers (including the Share Registry and the auditor).

In consideration for Pinnacle providing these services to the Company on commercial arm's length terms, the Company will pay Pinnacle an annual fee (paid quarterly) of \$70,000 per annum (plus GST) (indexed by 3% annually). As the indirect owner of 47.94% of the ordinary shares on issue in the Manager, Pinnacle will also benefit from any fees paid to the Manager in accordance with the Investment Management Agreement.

Other than as set out above or elsewhere in this Prospectus, there are no existing agreements or arrangements and there are no currently proposed transactions in which the Company was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest.

10. Material Contracts

The Directors consider that the material contracts described below and elsewhere in this Prospectus are those which an investor would reasonably regard as material and which investors and their professional advisors would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of the Offer. This Section contains a summary of the material contracts and their substantive terms.

10.1. Investment Management Agreement

The Company has entered into the Investment Management Agreement with the Manager on 1 March 2017 with respect to the investment management services to be provided to the Company's Portfolio. Set out below is a summary of the material terms of the Investment Management Agreement.

Services

The Manager must manage and supervise the Portfolio and all investments within the Portfolio.

Permitted investments

The Manager is permitted to undertake investments on behalf of the Company without Board approval. However, if the proposed investment is not in accordance with the approved Investment Strategy, Board approval for the investment is required. The Board may approve changes to the approved Investment Strategy from time to time.

To the extent the Manager does have the requisite authorisations required to provide advice or deal in certain investments, the Manager may engage external advisors with the appropriate AFSL authorisations.

Powers of the Manager

Subject to the Corporations Act, the Listing Rules and the Investment Strategy agreed with the Company from time-to time, the Manager has the powers necessary to, on behalf of the Company, invest money constituted in or available to the Portfolio, and make, hold, realise and dispose of the Company's investments. Any investment outside the Investment Strategy of the Board requires Board approval.

Subject to an obligation to liquidate the Portfolio to meet the Company's operating costs, dividend payments, capital returns, buybacks or other distributions the Manager has absolute and unfettered discretion to manage the Portfolio and to do all things considered necessary or desirable in relation to the Portfolio, including:

- (a) investigation, negotiation, acquisition, or disposal of every investment;
- (b) to sell, realise or deal with all or any of the investments or to vary, convert, exchange or add other investments;
- (c) if any investments are redeemed or the capital paid on it is wholly or partly repaid by the entity by which that investment was created or issued:
 - (i) to convert that investment into some other investment;
 - (ii) to accept repayment of the capital paid or advance on the investment and any other monies payable in connection with that redemption or repayment;
 - (iii) to re-invest any of those monies;
- (d) retain or sell any shares, debentures or other property received by the Company by way of bonus, or in satisfaction of a dividend in respect of any investments or from the amalgamation or reconstruction of any entity; and

- (e) to sell all or some of the rights to subscribe for new securities in an investment, to use all or part of the proceeds of the sale of such rights for the subscription for securities or to subscribe for securities pursuant to those rights.

Valuations

The Company must arrange for calculation of the value of its investments at least monthly or at such more frequent times as may be agreed between the Manager and the Company. The Manager must provide reasonable assistance to the Company to determine such calculations. All costs incurred in arranging this calculation are to be paid by the Company. To assist with the reconciliation of all valuations, the Company has entered into a separate agreement with Pinnacle pursuant to which Pinnacle will provide administrative support services including reconciliation services. See Section 9.11 for details.

Delegation

The Manager may, with the prior approval of the Company (not to be unreasonably withheld), appoint or employ any person, including any related body corporate of the Manager, to be a sub-contractor for the Manager to perform any or all of the duties and obligations imposed on the Manager by the Investment Management Agreement.

Non-exclusivity and conflict management

The Manager may from time to time perform similar investment and management services for itself and other persons similar to the services performed for the Company under the Investment Management Agreement, provided the Manager does not prejudice or otherwise derogate its responsibilities specified in the Investment Management Agreement.

Confidentiality

To protect the confidentiality of information related to the Company and its assets under management, the Manager has provided various confidentiality undertakings in the Investment Management Agreement. These undertakings are consistent with market practice. Importantly these undertakings:

- (a) effectively prohibit the Manager from using the Company's information for any purpose other than in its role as the Company's Manager; and
- (b) require the Manager to take all reasonable, proper and effective precautions to maintain the confidential nature of the Company's information.

Related party protocols

The Manager is not prohibited under the Investment Management Agreement from acquiring assets from, or disposing assets to, a related party. However, if the Manager does ever propose that the Company acquire assets from or dispose of assets to a related party of the Manager, the Company must approve that acquisition or disposal to the extent required by the Corporations Act or the Listing Rules.

Amendment

The Investment Management Agreement may only be altered by the agreement of the Company and the Manager. The Company and the Manager have agreed that they will only make material changes to the Investment Management Agreement if the Company has obtained Shareholder approval for these material changes.

Change of control provisions

The Manager has no right to terminate the Investment Management Agreement in the event of a change of control of the Company.

Similarly, the Company has no right to terminate the Investment Management Agreement in the event of a change of control of the Manager.

The Investment Management Agreement does not contain any pre-emptive rights over the Portfolio which are exercisable by either the Company, the Manager or a related entity of the Manager in the event of a change of control of either the Company or the Manager.

Company indemnity

The Company must indemnify the Manager against any losses or liabilities reasonably incurred by the Manager arising out of, or in connection with, and any costs, charges and expenses (including legal expenses) incurred in connection with the Manager or any of its officers, employees or agents acting under the Investment Management Agreement or on account of any bona fide investment decision made by the Manager or its officers or agents except insofar as any loss, liability, cost, charge or expense is caused by the negligence, default, fraud or dishonesty of the Manager or its officers or employees.

This obligation continues after the termination of the Investment Management Agreement.

Manager's liability

Subject to the Corporations Act, the Listing Rules and the Investment Management Agreement, the Manager will, in relation to all the powers, authorities and discretions vested in it, have absolute and uncontrolled discretion as to:

- (a) whether or not to exercise them; and
- (b) the manner or mode of, and time for, their exercise.

In the absence of negligence, default, fraud or dishonesty, the Manager will not be in any way whatsoever responsible for any loss, costs, damages or inconvenience that may result from the exercise or failure to exercise those powers, authorities and discretions.

Manager indemnity

The Manager must indemnify the Company against any losses or liabilities reasonably incurred by the Company arising out of, or in connection with, and any costs, charges and expenses incurred in connection with any negligence, default, fraud or dishonesty of the Manager or its officers. This obligation continues after the termination of the Investment Management Agreement.

Management Fee

In return for the performance of its duties as Manager of the Portfolio, the Manager is entitled to be paid a Management Fee equal to 0.80% (plus GST) per annum (0.82% inclusive of the net impact of GST and RITC) of the value of the Company's investments (calculated on the last business day of each month and paid at the end of each month in arrears).

The Management Fee is to be paid to the Manager regardless of the performance of the Company. Management Fees would increase if the value of the Company's investments increases, and decrease if the value of the Company's investments decreases, over the period.

As a worked example, assuming an initial value of the Company's investments of \$220,000,000 at 1 July 2017, and nil performance on the Portfolio each month, the Management Fee payable on the Portfolio for the 12 month period 1 July 2017 to 30 June 2018 would be approximately \$1,753,488 (plus GST).

Expenses

The Company is liable for and must pay or reimburse the Manager for the fees, costs and expenses approved by the Board provided they were properly incurred in connection with services provided to the Company including the acquisition, disposal or maintenance of any investment, including:

- (a) fees payable to any securities exchange, ASIC, share register, any approved valuer or other regulatory body; and
- (b) all costs, custody fees, stamp duties, financial institutions duties, bank account debits tax, legal fees and other duties, taxes, fees, disbursements and expenses, commissions and brokerage incurred by the Company or the Manager in connection with:
 - (i) the acquisition and negotiation of any investment or proposed investment;
 - (ii) any sale or proposed sale, transfer, exchange, replacement or other dealing or proposed dealing with or disposal or proposed disposal of any investment;
 - (iii) the receipt of income or other entitlements from the Company's direct investments;
 - (iv) the engagement of a custodian to hold an investment on behalf of the Company;
 - (v) outgoings in relation to the Company's direct investments such as rates, levies, duties, taxes and insurance premiums; and
 - (vi) marketing expenses including website and research reports.

Notwithstanding the above, the Manager is solely responsible for payment of the fees of any manager engaged by the Manager to assist it in undertaking its duties under the Investment Management Agreement.

Assignment

The Manager may assign the Investment Management Agreement to a third party with the prior consent in writing of the Company, which must not be unreasonably withheld or delayed.

Term of Agreement

The initial term of the Investment Management Agreement is currently 5 years, which will be automatically extended for successive five year periods, unless terminated earlier in accordance with the Investment Management Agreement. The Company has been granted an 'in-principle' waiver of ASX Listing Rule 15.16 to allow for the initial fixed term of the Investment Management Agreement, to run for 10 years. The in-principle waiver is expected to be formalised prior to the inclusion of the Company in ASX's Official List. If the waiver is not formalised, the initial term of the Investment Management Agreement will remain 5 years.

The Investment Management Agreement gives the Company certain termination rights including the right to immediately terminate if the Manager becomes insolvent or breaches its obligations under the Investment Management Agreement in a material respect and such breach cannot be rectified or is not remedied within 30 days after receiving notice of that breach. No termination fee is payable to the Manager if the Investment Management Agreement is terminated in accordance with these rights.

The Company may also terminate the Investment Management Agreement following the initial term on three months' notice if Shareholders pass an ordinary resolution directing the Company to terminate the Manager's appointment. If the Company terminates the Investment Management Agreement in this way, it must pay to the Manager a fee equal to all Management Fees that accrued in the 12 month period up to the date of termination.

This fee must be paid by the Company to the Manager in addition any accrued but unpaid Management Fees as at the termination date.

The Manager may terminate the Investment Management Agreement at any time after the initial term by giving the Company at least six months written notice.

After termination

If the Investment Management Agreement is terminated by the Company:

- (a) the Company must make a formal redemption request in respect of all the Company's units in the Plato Fund within 2 business days of the last business day of the term. The F Class Units can be redeemed in specie or in cash (see Section 10.2 for details); and
- (b) the Company must call a general meeting to change the Company's name by removing "Plato". If the Company's name has not been changed within 3 months of the date of termination, the Manager will grant the Company a personal, non-transferable licence to use the "Plato" name for so long as the Company's name includes the word "Plato". In consideration for this licence, the Company must pay the Manager an annual licence fee (in advance) equal to 0.2% of the value of the Company's investments calculated on the date of termination and each subsequent anniversary of that date.

The Company does not have an AFSL and so requires an investment manager to manage the Portfolio and implement its Investment Strategies and objectives. If the Investment Management Agreement is terminated while the Company remains an investment entity, the management of the Company's portfolio of investments would need to be assigned to a replacement manager and a new management agreement would need to be put in place. Under the Investment Management Agreement the Manager must vest control of the Portfolio to the Company within 30 business days of termination. The Company would seek all necessary Shareholder approvals if this were to occur.

10.2. Material Plato Fund agreements

Constitution / Unit terms

The Plato Fund Constitution sets out the rights, duties and liabilities of the Responsible Entity in its operation of the Plato Fund and is binding on the Responsible Entity and each unitholder of the Plato Fund. Set out below is a summary of the material terms of the Plato Fund Constitution.

Powers of the Responsible Entity in relation to making investments and dealing with scheme property

In relation to the assets of the Plato Fund, the Responsible Entity has all the powers of a natural person who is the absolute and beneficial owner of such assets, and may exercise these powers as it considers necessary or desirable. Such powers include the power to make, purchase and sell any authorised investments and to borrow and incur liabilities of any kind.

The Plato Fund is to be invested in accordance with the investment strategy as set out in the product disclosure document issued by the Responsible Entity.

Valuations

The Responsible Entity may, at any time, ascertain the net asset value of the Plato Fund, but must do so at least once every month. The value of each investment in the Plato Fund Portfolio must be calculated in accordance with the Plato Fund Constitution.

Winding up the scheme

The Plato Fund is terminated on the earlier of the date on which:

- (a) unitholders pass a resolution in accordance with the Corporations Act directing the Responsible Entity to wind up the Plato Fund;
- (b) the court makes an order in accordance with the Corporations Act directing the Responsible Entity to wind up the Plato Fund;
- (c) unitholders pass a resolution to remove the Responsible Entity and does not, at the same meeting, pass a resolution choosing a company to be the new responsible entity that consents to becoming the Plato Fund's responsible entity.

The Responsible Entity may also wind up the Plato Fund if the Responsible Entity considers that the purpose of the scheme has been accomplished or cannot be accomplished, in accordance with section 601NC of the Corporations Act.

The Responsible Entity must wind up the Plato Fund following the above events in accordance with the Plato Fund Constitution and the Corporations Act.

Reimbursement of expenses

Whilst no fees are payable with respect to the F Class Units, the Responsible Entity is entitled to be reimbursed on a full indemnity basis out of the Plato Fund for all expenses and liabilities which are incurred by the Responsible Entity or the Manager in connection with the Plato Fund or in performing their obligations or exercising their powers.

Redemption rights

Unitholders in the Plato Fund may give the Responsible Entity a redemption notice specifying the number of units to be redeemed. The Responsible Entity must redeem the units within 30 days after the day on which the net asset value of the Plato Fund is calculated, following receipt of the redemption notice.

The Responsible Entity may suspend the redemption of units where it is impractical to calculate the net asset value of the Plato Fund for a period no longer than 30 days.

F Class Units terms of issue

The Responsible Entity has created a new class of units in the Plato Fund, which will be subscribed for by the Company. The terms of the F Class Units provide the Company with materially the same rights as all other unitholders with the exception that no fees will be payable (to the Manager or the Responsible Entity), the units may not be transferred and redemptions of an amount exceeding \$50 million will be satisfied by the transfer of investments at market value.

The terms of issue attaching to the F Class Units may only be varied by the Responsible Entity with the approval of the F Class Unit holders (being the Company). However, the rights of unitholders in the Plato Fund contained in the Plato Fund Constitution may be amended by a special resolution of unitholders in accordance with the Corporations Act

Each F Class Unit confers on its holder:

- (a) the right to vote at a general meeting of Unitholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per unitholder) and on a poll (one vote per F Class Unit);
- (b) the right to receive distributions, according to the amount paid up on the F Class Units; and
- (c) the right to receive, in kind, the whole or any part of the Plato Fund's property in a winding up, subject the rights of a liquidator to distribute surplus assets of the Plato Fund with the consent of members by special resolution.

Fund IMA

The Manager has an investment management agreement in place with the Responsible Entity dated 24 July 2014 as amended from time to time with respect to the appointment of the Manager as investment manager of the Plato Fund. Set out below is a summary of the material terms of the Fund IMA.

Services

The Manager must manage and invest the portfolio of the Plato Fund for and on behalf of the Responsible Entity in accordance with the Fund IMA.

Investment instructions and objectives

The Manager must comply with the investment instructions as set out in the Plato Fund product disclosure statement in exercising any investment discretion. Separately, the Manager has confirmed to the Company that it intends to exercise its discretion to manage the Plato Fund in accordance with

the Investment Strategy outlined in this Prospectus for so long as the Company is invested in the Plato Fund.

If the Responsible Entity considers a change in the investment instructions is reasonably necessary to ensure it is acting in the best interests of unit holders of the Fund, it must consult with the Manager as to the proposed change prior to making the change.

Powers of the Manager

For the purpose of carrying out its functions and duties under the Fund IMA, the Manager has the powers of a natural person to deal with the Plato Fund portfolio and to do all things and execute all documents necessary for the purpose of managing the portfolio. In the absence of negligence, default, fraud or dishonesty, the Manager will not be in any way whatsoever responsible for any loss, costs, damages or inconvenience that may result from the exercise or failure to exercise those powers, authorities and discretions.

Delegation

The Manager may not, without the prior consent of the Responsible Entity delegate any of its discretionary management powers under the Fund IMA.

Non-exclusivity and conflict management

The Manager may from time to time perform similar investment and management services for itself and other persons similar to the services performed for the Responsible Entity.

Related bodies corporate

The Manager may invest in, deal with or engage the services of the Manager's related body corporate (which are engaged in separate business activities and which are entitled to charge fees, brokerage and commissions) provided that such investments, dealings and engagements are in the ordinary course of business and on arm's length terms.

Amendment

The Fund IMA may only be amended by the agreement of the Responsible Entity and the Manager.

Manager indemnity

The Manager must indemnify the Responsible Entity against any losses or liabilities reasonably incurred by the Responsible Entity arising out of, or in connection with, and any costs, charges and expenses incurred in connection with, any negligence, fraud or dishonesty of the Manager or its officers or supervised agents. This obligation continues after the termination of this Fund IMA. The Manager is not otherwise liable to the Responsible Entity for any loss or liability.

Management Fee

In consideration for the Manager providing the services contained in the Fund IMA, the Manager is entitled to the fees in accordance with the Plato Fund product disclosure statement.

The Plato Fund product disclosure statement provides for a management fee of 0.90% (plus GST) per annum of the net asset value of the Plato Fund Portfolio. This applies to ordinary units only and will not apply to the F Class Units to be subscribed for by the Company.

Expenses

Under the agreement, the Responsible Entity must pay (from the assets of the Plato Fund) all taxes, costs, charges and expenses properly incurred in connection with the investment and management of the Plato Fund Portfolio or the acquisition, disposal or maintenance of any investment of the Plato Fund Portfolio or in acting under the Fund IMA.

Examples of these fees include transactional and operational costs associated with dealing with the Plato Fund's assets such as brokerage, investment settlement fees, clearing costs and applicable stamp duty when underlying assets are bought or sold.

Assignment

The Manager may assign the Fund IMA to a third party with the prior consent in writing of the Responsible Entity, which must not be unreasonably withheld or delayed.

Term of Agreement

The Fund IMA has no fixed term and will remain in force until terminated.

The Responsible Entity may terminate the agreement at any time by written notice to the manager if:

- (a) a receiver, receiver and manager, administrative receiver or similar person is appointed with respect to the assets and undertakings of the Manager;
- (b) the Manager goes into liquidation (other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Responsible Entity) or ceases to carry on business in relation to its activities as an investment manager, or breaches any provision of the agreement, or fails to observe or perform any representation, warranty or undertaking given by the Manager under the agreement and the Manager fails to correct such breach or failure within 10 Business Days of receiving notice in writing from the Responsible Entity specifying such breach or failure;
- (c) the Manager sells or transfers or makes any agreement for the sale or transfer of the main business and undertaking of the Manager or of a beneficial interest therein, other than to a Related Body Corporate for purposes of corporate reconstruction on terms previously approved in writing by the Responsible Entity; or
- (d) the Manager ceases to be licensed under the Corporations Act or is unable to carry out its duties under this agreement because it has ceased to hold necessary legal authorisations to operate as an investment manager.

10.3. Offer Management Agreement

The Company and the Manager have entered into an offer management agreement dated 1 March 2017 (**Offer Management Agreement**) with the Joint Lead Managers pursuant to which the Joint Lead Managers will manage the Offer. Under the Offer Management Agreement, the Company appoints Commonwealth Securities Limited as the Lead Arranger and Authorised Intermediary to make offers to arrange for the issue of the Shares and Options under the Offer.

In return for providing the services under the Offer Management Agreement, the Company will pay:

- (a) the Lead Arranger an arranger fee of 0.10% (plus GST) of the total proceeds raised under the Offer; and
- (b) the Joint Lead Managers a management fee equal to 1.10% (plus GST) of the of the total proceeds raised under the Offer (split equally between them).

In addition, the Company will pay to each Joint Lead Manager a Broker Firm selling fee of 1.50% (inclusive of GST) which is equivalent to 1.36% (plus GST) of the total proceeds of the Broker Firm Offer raised by the relevant Joint Lead Manager and its brokers (including associated Co-Managers). The Joint Lead Managers will have sole responsibility to pay any commissions and fees payable to a Co-Manager or Broker.

The Company has agreed to pay or reimburse the Joint Lead Managers for all reasonable legal costs and expenses incurred by them in connection with the Offer, of up to \$25,000 (plus GST and disbursements), as well as other additional out-of-pocket expenses.

The Offer Management Agreement is conditional on a number of things including the Company obtaining any ASX waivers in in-principle form and any ASIC modifications (in a form and substance acceptable to the Joint Lead Managers) to enable the Offer to proceed in accordance with the timetable in the Offer Management Agreement and the Prospectus.

In accordance with the Offer Management Agreement and as is customary with these types of arrangements:

- (a) the Company and the Manager have (subject to certain usual limitations) agreed to indemnify the Joint Lead Managers, their related bodies corporate, their directors, officers, advisers and employees against any losses arising directly or indirectly in connection with the Offer (including for publicity, regulatory reviews or non-compliance of the Prospectus), or a breach by the Company and the Manager of any provision, including representation or warranty of, the Offer Management Agreement;
- (b) the Company and the Manager have given representations, warranties and undertakings in connection with (among other things) the conduct of the Offer and content of the Prospectus;
- (c) the Joint Lead Managers are entitled to appoint co-lead managers and Brokers to the Offer; and
- (d) the Joint Lead Managers may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Offer Management Agreement and be released from their obligations under it on the occurrence of certain events on or prior to the final settlement date of the Offer, including (but not limited to) where:
 - (i) a statement contained in the offer materials is or becomes materially misleading or deceptive or likely to mislead or deceive or the Offer materials omit any information they are required to contain (having regard to the relevant Corporations Act requirements);
 - (ii) the ASX does not approve the listing of the Company;
 - (iii) there are changes in senior management of the Manager or the Board of Directors of the Company;
 - (iv) material adverse changes to the financial markets, political or economic conditions of key countries, trading halts on all securities listed on certain security exchanges, banking moratoriums, hostilities commence or escalate in key countries or a major terrorist act is perpetrated in key countries;
 - (v) subject to a materiality threshold, the Company or the Manager breaches any law or regulatory requirements or the Company fails to conduct the Offer in accordance with the law;
 - (vi) there is, or is likely to be, a material adverse change, or event involving a prospective material adverse change, in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company;
 - (vii) subject to a materiality threshold, a regulatory investigation or legal action is commenced against the Company or the Manager; or
 - (viii) subject to a materiality threshold, a breach of the representations, warranties and undertakings or default of the Offer Management Agreement.

Please note that the above is not an exhaustive list of the termination events in the Offer Management Agreement.

10.4. Director protection deeds

The Company has entered into director protection deeds with each Director. Under these deeds, the Company has agreed to indemnify, to the extent permitted by the Corporations Act, each officer in

respect of certain liabilities which the officer may incur as a result of, or by reason of (whether solely or in part), being or acting as an officer of the Company. The Company has also agreed to maintain in favour of each officer a directors' and officers' policy of insurance for the period that they are officers and for 7 years after they cease to act as officers.

11. Additional Information

11.1. Incorporation

The Company was incorporated on 10 January 2017.

11.2. Balance date and company tax status

The accounts for the Company will be made up to 30 June annually.

The Company will be taxed as a public company.

11.3. Rights attaching to the Shares

The following information is a summary of the Company Constitution. Shareholders have the right to acquire a copy of the Company Constitution, free of charge, from the Company until the expiry of this Prospectus.

Each Share confers on its holder:

- (a) the right to vote at a general meeting of Shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per shareholder) and on a poll (one vote per Share on which there is no money due and payable) subject to the rights and restrictions on voting which may attach to or be imposed on Shares (at present there are none);
- (b) the right to receive dividends, according to the amount paid up on the Share;
- (c) the right to receive, in kind, the whole or any part of the Company's property in a winding up, subject to priority given to holders of Shares that have not been classified by ASX as "restricted securities" and the rights of a liquidator to distribute surplus assets of the Company with the consent of members by special resolution; and
- (d) subject to the Corporations Act and the Listing Rules, Shares are fully transferable.

The rights attaching to Shares may be varied with the approval of Shareholders in general meeting by special resolution.

11.4. Rights attaching to the Options

The terms and conditions of the Options are as follows:

Register

The Company will maintain a register of holders of Options in accordance with Section 168(1)(b) of the Corporations Act.

Transfer / transmission

Options may be transferred or transmitted in any manner approved by the ASX.

Exercise

On exercise, the Company will issue a 1 Share for each Option exercised. Options may be exercised by delivery to the Company of a duly completed notice of exercise of Options, signed by the registered holder of the Options, together with payment to the Company of \$1.10 per Option being exercised.

An Option may be exercised on any Business Day from issue to 5.00pm on 29 April 2019 but not thereafter.

A Notice of Exercise of Options is only effective when the Company has received the full amount of the exercise price in cash or cleared funds.

Dividend entitlement

Options do not carry any dividend entitlement. Shares issued on exercise of Options rank equally with other issued Shares of the Company on and from issue.

Participating rights

For determining entitlements to the issue, Option holders may only participate in new issues of Securities to holders of Shares in the Company if the Option has been exercised and Shares allotted in respect of the Option before the record date. The Company must give at least 4 business days' notice to Option holders of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.

If, between the date of issue and the date of exercise of an Option, the Company makes 1 or more rights issues (being a pro rata issue of Shares in the capital of the Company that is not a bonus issue), the exercise price of Options on issue will be reduced in respect of each rights issue according to the following formula:

$$NE = OE - \frac{E [P - (S + D)]}{(N + 1)}$$

where:

NE is the new exercise price of the Option;

OE is the old exercise price of the Option;

E is the number of underlying Shares into which 1 Option is exercisable;

P is the average closing sale price per Share (weighted by reference to volume) during the 5 trading days ending on the day before the ex rights date or ex entitlements date (excluding special crossings and overnight sales);

S is the subscription price for a Share under the rights issue;

D is the dividend due but not yet paid on each Share at the relevant time; and

N is the number of Shares that must be held to entitle holders to receive a new Share in the rights issue.

If there is a bonus issue to the holders of Shares in the capital of the Company, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

Reconstructions and alteration of capital

Any adjustment to the number of outstanding Options and the exercise price under a re-organisation of the Company's share capital must be made in accordance with the Listing Rules.

ASX listing

Options are expected to be quoted on the ASX.

The Company must make an application for quotation of Shares issued on exercise of the Options on the ASX in accordance with the Listing Rules. Shares so issued will rank equally with other issued Shares of the Company.

11.5. ASX waiver

ASX Listing Rule 15.16 sets a maximum fixed term of 5 years for an investment management agreement. The Company has been granted an 'in-principle' waiver of ASX Listing Rule 15.16 to allow for the initial fixed term of the Investment Management Agreement, to run for 10 years. The in-principle waiver is expected to be formalised prior to the inclusion of the Company in ASX's Official List.

To satisfy the terms on which ASX has agreed to provide the waiver, the Investment Management Agreement contains a term that requires the Company to issue, promptly and without delay, a formal redemption request to the responsible entity of the Plato Fund to redeem 100% of the Company's investment in the Plato Fund if the Investment Management Agreement is terminated after the initial terms at the election of the Company's Shareholders. Prior to the Company's admission to the Official List, the Company will also provide an undertaking to ASX to comply with the redemption requirement in the Investment Management Agreement.

11.6. Investor considerations

Before deciding to participate in this Offer, you should consider whether the Shares and Options to be issued are a suitable investment for you. There are general risks associated with any investment in an entity listed on the ASX. The value of securities listed on the ASX may rise or fall depending on a range of factors beyond the control of the Company.

If you are in doubt as to the course you should follow, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant or other professional adviser immediately.

The potential tax effects relating to the Offer will vary between Investors. Investors are urged to consider the possible tax consequences of participating in the Offer by consulting a professional tax adviser.

11.7. Australian taxation implications of investing under the Offer

Introduction

The tax implications provided below only relate to Australian Shareholders who hold their Securities on capital account. Different tax implications apply to non-resident Shareholders or Shareholders whose Securities are held on revenue account.

The comments in this Section 11.7 are general in nature on the basis that the tax implications for each Securityholder may vary depending on their particular circumstances.

Accordingly, it is recommended that each Securityholder seek their own professional advice regarding the taxation implications associated with the Offer.

The comments in this Section 11.7 are based on the Income Tax Assessment Act 1936, and the Income Tax Assessment Act 1997, A New Tax System (Goods and Services Tax) Act 1999 and the relevant stamp duties legislation as at the date of this Prospectus.

This Section 11.7 provides a general overview of the Australian income tax implications of investing in the Company, based on current tax law. As such, it is not intended as a substitute for investors obtaining independent tax advice in relation to their personal circumstances.

If you are in doubt as to the course you should follow, you should seek independent tax advice.

Income tax position of the Company

The Company will be taxed as a company at the prevailing company tax rate (currently 30.0% for businesses with an aggregate turnover of more than \$2,000,000).

The Company will be required to maintain a franking account and may declare franked dividends to Shareholders. The Directors intend to frank dividends at 100.0%, or to the maximum extent possible.

Income tax position of Australian resident Shareholders

A general outline of the tax implications associated with the Offer for Australian resident Shareholders who hold their Securities on capital account are set out below.

Treatment of Shares and Options

The Offer comprises the issue of Shares and an entitlement or right (Right) to receive Options in the Company. To determine the Capital Gains Tax (CGT) cost base of each asset, an investor's subscription price may need to be apportioned between the Shares and Right based on their respective value.

On disposal of Shares or Rights in the Company, an investor will realise a capital gain if the capital proceeds it receives or is deemed to have received for the disposal of the Shares or Rights exceeds their respective cost base.

Where a Right held in the Company is not exercised or expires, a capital loss may arise equal to the cost base of the Right at the time of expiry. Where a Right is exercised and results in the issue of Options, no capital gain or loss arises from the exercise of the Right, but the cost base of the Rights will rollover into the Options.

Upon the exercise of the Options, no capital gain or loss arises but the cost base of the Options will be added to the exercise price to be included in the cost base of the Shares acquired.

A CGT discount may be available where the Shares, Rights or Options have been held for twelve months or more. Where this concession applies, any such capital gain will be reduced (after applying capital losses) by the following percentages:

- (a) 50.0% for an individual or trust; or
- (b) 33.33% for a complying superannuation fund.

Dividends

Dividends received by Shareholders should be included in the assessable income of Shareholders. Generally, Shareholders will be taxed on the dividends at their relevant marginal rate. If the Shareholder is a company, the Shareholder will be taxed at the prevailing company tax rate (currently 30.0% for companies with an annual turnover of \$2,000,000 or more and 28.5% for companies with an annual turnover of less than \$2,000,000).

Generally, to the extent that the dividends are franked, an amount equal to the franking credits attaching to the dividends will be included in the assessable income of the Shareholder. Further, Shareholders will generally be entitled to a tax offset equal to the amount of the franking credits on the dividend (i.e. Shareholders will effectively get a tax credit for the corporate tax paid in respect of the dividends).

Certain Shareholders (including individuals and complying superannuation funds) may be entitled to a refund of 'excess franking credits' where their tax offset in respect of the franked dividends exceeds their tax liability. The income tax rate for complying superannuation funds is 15.0%. Complying superannuation funds generally obtain a tax offset from franked dividends against the fund's income tax liability, and any excess franking credits may be fully refunded.

A complying superannuation fund 100.0% in pension phase would be entitled to a full refund of franking credits, as all income of the fund would be attributable to the fund's liability to pay current pensions, and are therefore exempt from income tax.

Goods and Services Tax (GST)

Shareholders should not be liable to GST in Australia in respect of the acquisition of Securities under the Offer. Shareholders may not be entitled to input tax credits (GST credits) for GST incurred on costs associated with the acquisition of Securities under the Offer.

Stamp duty

Shareholders should not be liable to stamp duty in Australia in respect of the acquisition of Securities under the Offer.

11.8. Legal proceedings

The Company is a newly incorporated company which has not conducted any business to date. The Company is not and has not been, since its incorporation to the date of this Prospectus, involved in any legal or arbitration proceedings that have had a significant effect on the financial position of the Company.

As far as the Directors are aware, no such proceedings are threatened against the Company.

11.9. Consents and Responsibility Statements

Each of the following parties has given and, before lodgement of the paper Prospectus with ASIC and the issue of the Electronic Prospectus, has not withdrawn its written consent to be named as performing the below role in the form and context in which it is so named.

Name	Role / Responsible
Plato Investment Management Limited	Manager All information about it, including its investment process and performance history in Sections 4 and 5 and elsewhere in this Prospectus
Kardos Scanlan	Australian Solicitor to the Offer
Pitcher Partners Sydney Corporate Finance Pty Ltd	Investigating accountant for the Company The Investigating Accountant's Report on Pro Forma Financial Information in Section 8
Boardroom Pty Limited	Share registrar for the Company
Commonwealth Securities Limited	Lead Arranger, Authorised Intermediary and Joint Lead Manager to the Offer
Ord Minnett Limited and Taylor Collison Limited	Joint Lead Managers to the Offer
Wilsons Advisory and Stockbroking Limited and FinClear Execution Ltd	Co-Managers to the Offer
Pinnacle Investment Management Limited	Accounting and Company Secretarial services All information about Pinnacle Investment Management Limited in Section 5 of this Prospectus
Pinnacle Fund Services Limited as the	All information about Plato Fund, including,

Name	Role / Responsible
responsible entity of Plato Australian Shares Income Fund	historical performance history, in Section 5 and elsewhere in this Prospectus

Each of the above parties has only been involved in the preparation of that part of the Prospectus where they are named. Except to the extent indicated above, none of the above parties have authorised or caused the issue of the Prospectus and takes no responsibility for its contents.

Each of the Joint Lead Managers and the Co-Managers has consented to being named as specified above, but does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by that Joint Lead Manager or Co-Manager.

11.10. Offer expenses

The Company will pay all of the costs associated with the Offer. These costs are fully described in Section 7.

11.11. Interest of Experts

Other than as set out below, no expert nor any firm in which such expert is a partner or employee has any interest in the promotion of or any property proposed to be acquired by the Company.

Kardos Scanlan has acted as Australian solicitors to the Offer and have performed work in relation to preparing the due diligence program and performing due diligence enquiries on legal matters. In respect of this Prospectus, the Company estimates that it will pay amounts totaling approximately \$120,000 (plus GST and disbursements) to *Kardos Scanlan*.

Pitcher Partners Sydney Corporate Finance Pty Limited has prepared the investigating accountant's report included in this Prospectus and have also performed work in relation to the due diligence enquiries on financial matters. In respect of this work, the Company estimates that it will pay amounts totaling approximately \$30,000 (plus GST and disbursements) to *Pitcher Partners Sydney Corporate Finance Pty Limited*.

Commonwealth Securities Limited is the Lead Arranger to the Offer. In accordance with the Offer Management Agreement, the Company will pay the Lead Arranger an arranging fee of 0.10% (plus GST) of the total proceeds raised under the Offer.

Commonwealth Securities Limited, Ord Minnett Limited, and Taylor Collison Limited will act as Joint Lead Managers to the Offer. In accordance with the Offer Management Agreement, the Company will pay the Joint Lead Managers a management fee of 1.10% (plus GST) of the total proceeds raised under the Offer (this fee will be split equally between them). In addition, the Company will pay to each Joint Lead Manager a Broker Firm selling fee of 1.50% (inclusive of GST) which is equivalent to 1.36% (plus GST) of the total proceeds of the Broker Firm Offer raised by the relevant Joint Lead Manager and their associated brokers (including Co-Managers).

Commonwealth Securities Limited is the Authorised Intermediary to the Offer. Commonwealth Securities Limited will not be paid a fee for its services as Authorised Intermediary.

Wilsons Advisory and Stockbroking Limited and FinClear Execution Ltd will act as Co-Managers to the Offer and the Company will not pay or give a benefit to those companies for those services. The Joint Lead Managers are liable for the payment of any fees, commissions or rebates due to any Brokers or Co-Managers appointed to the Offer.

Certain partners and employees of the above firms may subscribe for Shares and Options in the context of the Offer.

12. Plato Fund Portfolio holdings as at 31 January 2017

Entity Name	Code	ASX/S&P200 Index Weight	% of Plato Fund
Commonwealth Bank of Australia	CBA	9.50%	12.81%
Australia and New Zealand Banking Group Limited	ANZ	5.80%	6.68%
Telstra Corporation Limited	TLS	4.03%	5.53%
Wesfarmers Limited	WES	3.07%	5.03%
Westpac Banking Corporation	WBC	7.19%	4.11%
Rio Tinto Limited	RIO	1.91%	4.05%
BHP Billiton Limited	BHP	5.77%	3.89%
Macquarie Group Limited	MQG	1.94%	3.27%
Scentre Group	SCG	1.58%	2.82%
AGL Energy Limited	AGL	1.03%	2.56%
Suncorp Group Limited	SUN	1.13%	2.52%
National Australia Bank Limited	NAB	5.46%	2.38%
CSL Limited	CSL	3.46%	2.08%
Caltex Australia Limited	CTX	0.50%	1.97%
BlueScope Steel Limited	BSL	0.43%	1.82%
Stockland	SGP	0.71%	1.44%
Amcort Limited	AMC	1.12%	1.38%
Westfield Corporation	WFD	1.13%	1.35%
Qantas Airways Limited	QAN	0.43%	1.29%
Woodside Petroleum Limited	WPL	1.54%	1.28%
Aurizon Holdings Limited	AZJ	0.69%	1.24%
JB Hi-Fi Limited	JBH	0.21%	1.17%
Brambles Limited	BXB	1.12%	1.13%
Fortescue Metals Group Ltd	FMG	0.77%	1.09%
Challenger Limited	CGF	0.42%	1.09%
Bendigo and Adelaide Bank Limited	BEN	0.40%	1.06%
CSR Limited	CSR	0.15%	1.04%
Northern Star Resources Ltd	NST	0.15%	1.00%
Insurance Australia Group Limited	IAG	0.92%	0.92%
Boral Limited	BLD	0.46%	0.90%
Sydney Airport	SYD	0.88%	0.89%
Lend Lease Group	LLC	0.55%	0.84%
Origin Energy Limited	ORG	0.83%	0.82%
Aristocrat Leisure Limited	ALL	0.62%	0.81%
Fletcher Building Limited	FBU	0.12%	0.72%
QBE Insurance Group Limited	QBE	1.15%	0.70%
Computershare Limited	CPU	0.44%	0.68%
The Star Entertainment Group Limited	SGR	0.25%	0.66%
Ramsay Health Care Limited	RHC	0.58%	0.63%
Downer EDI Limited	DOW	0.18%	0.56%
Cimic Group Limited	CIM	0.23%	0.54%
Adelaide Brighton Limited	ABC	0.15%	0.50%
Super Retail Group Limited	SUL	0.09%	0.48%
Alumina Limited	AWC	0.31%	0.45%
Cash	CASH	0.00%	0.45%
Coca-Cola Amatil Limited	CCL	0.35%	0.43%
Transurban Group	TCL	1.40%	0.39%

Entity Name	Code	ASX/S&P200 Index Weight	% of Plato Fund
Ansell Limited	ANN	0.24%	0.38%
Sigma Pharmaceuticals Limited	SIP	0.09%	0.37%
AMP Limited	AMP	1.00%	0.37%
Spark New Zealand	SPK	0.05%	0.37%
Cleanaway Waste Management	CWY	0.12%	0.36%
OZ Minerals Limited	OZL	0.19%	0.36%
Seven West Media Limited	SWM	0.05%	0.36%
Myer Holdings Limited	MYR	0.07%	0.35%
Australian Pharmaceutical Industries Limited	API	0.05%	0.33%
Genworth Mortgage Insurance	GMA	0.05%	0.32%
Pact Group Holdings Ltd	PGH	0.08%	0.31%
Harvey Norman Holdings Limited	HVN	0.20%	0.31%
Orora Limited	ORA	0.23%	0.30%
Regis Resources Limited	RRL	0.11%	0.29%
G.U.D. Holdings Limited	GUD	0.06%	0.29%
Mineral Resources Limited	MIN	0.13%	0.29%
Southern Cross Media Group Limited	SXL	0.07%	0.26%
Seven Group Holdings Limited	SVW	0.05%	0.25%
Asaleo Care Ltd	AHY	0.04%	0.25%
Eclix Group Limited	ECX	0.07%	0.24%
GWA Group Limited	GWA	0.05%	0.24%
Charter Hall Retail REIT	CQR	0.09%	0.22%
Sonic Healthcare Limited	SHL	0.58%	0.21%
Charter Hall Group	CHC	0.13%	0.20%
Retail Food Group Limited	RFG	0.07%	0.20%
Trafalgar Corporate Group	TGP	0.00%	0.19%
Select Harvests Limited	SHV	0.00%	0.19%
Collins Food Limited	CKF	0.00%	0.19%
Webjet Limited	WEB	0.07%	0.17%
Corporate Travel Mgmt	CTD	0.09%	0.16%
Virtus Health	VRT	0.03%	0.16%
Whitehaven Coal Limited	WHC	0.13%	0.15%
OOH! Media Limited	OML	0.00%	0.14%
Monash IVF Group	MVF	0.00%	0.14%
Kathmandu Holdings Limited	KMD	0.00%	0.13%
Resolute Mining Limited	RSG	0.07%	0.12%
TABCORP Holdings Limited	TAH	0.26%	0.12%
FlexiGroup Limited	FXL	0.04%	0.12%
Tox Free Solutions Limited	TOX	0.00%	0.11%
ASX Limited	ASX	0.65%	0.11%
WestGold Resources Ltd	WGX	0.00%	0.11%
Woolworths Limited	WOW	2.14%	0.10%
Perseus Mining Limited	PRU	0.00%	0.09%
Metals X Limited	MLX	0.00%	0.08%
Hansen Technologies Limited	HSN	0.00%	0.07%
GDI Property Group	GDI	0.00%	0.06%
Mortgage Choice Limited	MOC	0.00%	0.06%
MACA Limited	MLD	0.00%	0.06%
Syrah Resources Limited	SYR	0.05%	0.05%

Entity Name	Code	ASX/S&P200 Index Weight	% of Plato Fund
Service Stream Limited	SSM	0.00%	0.05%
SmartGroup Corporation	SIQ	0.00%	0.05%
Centuria Industrial REIT	CIP	0.00%	0.05%
Industria Reit	IDR	0.00%	0.04%
IMF (Australia) Ltd	IMF	0.00%	0.04%

This table does not reflect the current weightings of the Plato Fund portfolio. It is provided as an example only – it is not to be taken as an example of the optimal portfolio allocation, now or in the future.

13. Definitions and Interpretation

13.1. Defined Terms

In this Prospectus:

AASB means the Australian Accounting Standards Board.

AFSL means Australian Financial Services Licence.

Applicant means an applicant for Shares and Options under this Prospectus.

Application means an application for Shares and Options under this Prospectus.

Application Form means the application form attached to this Prospectus.

Application Monies means the Application Price of \$1.10 multiplied by the number of Shares applied for.

Application Price means \$1.10 per Share.

ASIC means the Australian Securities & Investments Commission.

ASX or **Australian Securities Exchange** means the ASX Limited or the securities exchange operated by ASX Limited.

ASX Recommendations means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendation (third edition, March 2014).

Authorised Intermediary means Commonwealth Securities Limited, in its capacity as the authorised intermediary of the Offer.

Benchmark means S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax Exempt)

Board means the board of Directors of the Company.

Broker means any ASX participating organisation selected by the Joint Lead Managers in consultation with the Company to act as a broker to the Offer.

Broker Firm Application Form means the Application Form to be used by Applicants who are participating in the Broker Firm Offer.

Broker Firm Offer means the broker firm offer referred to in Section 2.2.

Broker Firm Offer Closing Date means the closing date of the Broker Firm Offer, expected to be 5.00pm (Sydney time), 13 April 2017 or such other date as the Company may determine in its discretion.

CHES means Clearing House Electronic Subregister System.

Closing Date means the date by which valid Application Forms must be received being 21 April 2017 or such other dates as the Company may determine in its discretion.

Co-Manager means a co-manager to the Offer, being Wilsons Advisory and Stockbroking Limited and FinClear Execution Ltd.

Company means Plato Income Maximiser Limited (ACN 616 746 215).

Constitution means the constitution of the Company.

Corporations Act means Corporations Act 2001 (Cth).

CRN means Customer Reference Number.

Directors or **Board** means the directors of the Company.

EBITDA means earnings before interest, tax, depreciation and amortisation.

Electronic Prospectus means the electronic copy of the Prospectus, a copy of which can be downloaded at www.plato.com.au.

Eligible Participant means a person eligible to participate in the Priority Allocation, being:

- (a) registered shareholders of Pinnacle Investment Management Group Limited (ASX: PNI)

- (b) registered shareholders of Antipodes Global Investment Company Limited (ASX: APL);
- (c) direct unitholders of the Plato Fund; or
- (d) direct unitholders of the Plato Australian Shares Income Fund (Managed Risk) or the Plato Global Shares Income Fund,

with registered addresses in Australia.

Exposure Period means the period of 7 days after the date of lodgement of the Prospectus with ASIC, which may be extended by ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act.

F Class Unit means an F Class unit in the Plato Fund, the terms of issue of which are set out in Section 10.2.

Fund Administrator means the fund administrator appointed by the Responsible Entity of the Plato Fund, which is RBC Investor Services Trust as at the date of this Prospectus.

Fund IMA means the investment management agreement between the Responsible Entity and the Manager in respect of the Plato Fund, the terms of which are summarised in Section 10.2.

General Offer means the offer referred to in Section 2.4.

General Offer Application Form means the Application Form to be used by Applicants who are not participating in the Broker Firm Offer.

GST means Goods and Services Tax and has the same meaning as contact in *A New Tax Systems (Goods and Services Tax) Act 1999* (Commonwealth).

HIN or Holding Identification Number means the unique identifier of holders of shares on the CHESS subregister issued by ASX Settlement.

Investment Management Agreement means the investment management agreement between the Manager and the Company, the terms of which are summarised in Section 10.1.

Investment Strategy means the strategy to be used by the Manager (as manager of the Company and as manager of the Plato Fund), summarised in Section 4.4, in accordance with the guidelines set out in Section 4.8 (as amended from time to time).

Joint Lead Managers means Commonwealth Securities Limited, Ord Minnett Limited and Taylor Collison Limited.

Lead Arranger means Commonwealth Securities Limited, in its capacity as the lead arranger to the Offer.

Listing Rules means the listing rules of the ASX.

LIC means a listed investment company.

Manager means the manager of the Portfolio appointed under the terms of the Investment Management Agreement, being Plato Investment Management Limited ACN 120 730 136 (Authorised Representative no. 304964).

Management Fee means the management fees payable to the Manager in accordance with the Investment Management Agreement.

Maximum Subscription means the maximum subscription being sought by the Company under the Offer, being 200,000,000 Shares and 200,000,000 Options.

Minimum Subscription means the minimum subscription being sought by the Company under the Offer, being 68,181,818 Shares and 68,181,818 Options.

NAV or Net Asset Value means the value of the Company's or the Plato Fund's total assets less the value of any liabilities.

NTA or Net Tangible Assets means the value of the Company's total assets less the value of its intangible assets and the value of its liabilities.

Options means the options issued under the Offer, the terms of which are set out in Section 11.4.

Offer means the offer of up to 200,000,000 fully paid ordinary Shares (at an Application Price of \$1.10 per Share) and 200,000,000 Options (exercisable at \$1.10 on or before 29 April 2019) to raise up to \$220,000,000 (with the ability to accept oversubscriptions to raise up to a further \$110,000,000).

Offer Management Agreement means the offer management agreement between the Joint Lead Managers and the Company, the terms of which are summarised in Section 10.3.

Official List means the official list of the ASX.

Opening Date means the date the Offer opens, expected to be 9 March 2017.

Oversubscriptions means Applications for up to 100 million Shares and Options over and above the maximum subscription amount of \$220,000,000.

Pinnacle means Pinnacle Investment Management Limited (ACN 109 659 109).

Plato Fund means the Plato Australian Shares Income Fund ARSN 152 590 157.

Plato Fund Constitution means the constitution of the Plato Fund.

Plato Fund Portfolio means the portfolio of investments held by the Plato Fund.

Plato Investment Team means the investment personnel detailed in Section 5.5.

Portfolio means the portfolio of investments held by the Company constructed by the Manager.

Priority Allocation means the allocation of up to 10,000,000 Shares and Options to Eligible Participants on the terms set out in Section 2.3.

Priority Allocation Application Form means the Application Form to be used by an Eligible Participant who is not participating in the Broker Firm Offer.

Prospectus means this prospectus as modified or varied by any supplementary document issued by the Company and lodged with the ASIC from time to time.

RITC means Reduced Input Tax Credit.

Related Body Corporate has the meaning given to that term under Section 50 of the Corporations Act.

Relevant interest has the meaning set out in the Corporations Act.

Responsible Entity means the responsible entity of the Plato Fund, which is Pinnacle Fund Services Limited ABN 29 082 494 362 as at the date of this Prospectus.

Securities means Shares and Options issued by the Company.

Share means a fully paid ordinary share in the Company.

Shareholder means a registered holder of a Share.

Shareholder Reference Number or SRN is the unique identifier of holders of shares on the issuer sponsored sub-register.

Share Registrar or Registry means Boardroom Pty Limited (ACN 003 209 836).

SMSF means Self-managed Superannuation Fund.

SPI futures means a ASX SPI 200™ Index Futures a derivative product traded on the ASX which enables investors to trade movements in the S&P/ASX200 in a single transaction.

13.2. Interpretation

In this Prospectus the following rules of interpretation apply unless the context otherwise requires:

- (a) Words and phrases not specifically defined in this Prospectus have the same meaning that is given to them in the Corporations Act and a reference to a statutory provision is to the Corporations Act unless otherwise specified;
- (b) The singular includes the plural and vice versa;
- (c) A reference to an individual or person includes a corporation, partnership, joint venture, association, authority, company, state or government and vice versa;

- (d) A reference to any gender includes both genders;
- (e) A reference to clause, section, annexure or paragraph is to a clause, section, annexure or paragraph of or to this Prospectus, unless the context otherwise requires;
- (f) A reference to “dollars”, “AUD” or “\$” is to Australian currency;
- (g) In this document, headings are for ease of reference only and do not affect its interpretation; and
- (h) Except where specifically defined in the Prospectus, terms defined in the Corporations Act have the same meaning in this Prospectus.

13.3. Governing Law

This Prospectus is governed by the laws of New South Wales.

13.4. Approval

This Prospectus has been approved by unanimous resolution of the Directors of the Company.

Dated: 1 March 2017



Jonathan Trollip
Chairman



The issuer of this Financial Services Guide

This Financial Services Guide (FSG) is issued by Commonwealth Securities Limited (ABN 60 067 254 399 AFSL 238814) (CommSec, our, we or us) and is dated 1 March 2017. CommSec is a wholly owned but non-guaranteed subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945. CommSec is also a Participant of the ASX Group and Chi-X Australia.

Issue of shares and options by Plato Income Maximiser Limited

CommSec has entered into an arrangement with Plato Income Maximiser Limited (PL8) to make offers to you to arrange for the issue of the shares and options in PL8 being offered by PL8 in accordance with the Corporations Act 2001 (Cth). This is the service we are providing to you.

Propose of this FSG

This FSG has been produced to inform you about the financial services that we will be, or are likely to be, providing to you, the kinds of financial products to which those services relate and the fees that we charge in relation to the service we are providing to you.

Relationships

CommSec is a subsidiary of the Commonwealth Bank of Australia.

Remuneration

CommSec will be paid a selling fee under the Broker Firm Offer of 1.50 cents per Share (inclusive of GST) for any firm allocation it receives under the Broker Firm Offer in accordance with the terms of the Prospectus.

CommSec with the other Joint Lead Managers who are managing the issue of shares and options by PL8 will be paid a management fee of 1.10% (exclusive of GST) of the total proceeds of the offer received by PL8. CommSec is also entitled to an arranger fee from PL8 of 0.10% (exclusive of GST) of the total proceeds raised under the Offer.

How is my customer information dealt with?

At CommSec, the privacy of your customer information is important to us. We collect your customer information to ensure that we are able to provide you with the products and services most appropriate to your needs.

Telephone conversations with CommSec may be recorded to ensure our service standards are met or exceeded and to allow records to be kept of the advice given and orders taken.

CommSec has adopted the principles set out in the Privacy Act 1998 (Cth) as part of our continuing commitment to client service and maintenance of client confidentiality. Further details are contained in the terms and conditions for each product. Please also refer to our Privacy Policy at www.commbank.com.au or ask your representative for a copy.

What if I have a complaint?

If you are not satisfied with the service or advice you receive from CommSec, you are entitled to complain.

CommSec has established procedures to ensure that all enquires and complaints are properly considered and dealt with. To save yourself valuable time, gather all the facts and documents about the complaint, think about the questions you want answered and decide what you want CommSec to do. Next, contact the department that handled the matter and explain the problem. A quick call is all that is required to resolve most issues. If you are unsure which department to contact please call 13 15 19 and speak to an Equities Associate. If your complaint is not satisfactorily resolved within 3 business days after you first notified CommSec, please put your complaint in writing addressed to the CBA Group Client Relations team:

By phone: 1800 805 605
By fax: 1800 025 542
By email: www.commbank.com.au/feedback
By mail: CBA Group Customer Relations
Reply Paid 41 Sydney NSW 2001

If, after giving CommSec Client Relations the opportunity to resolve your complaint, you feel we have not resolved it satisfactorily, you may lodge a written complaint with the Financial Ombudsman Service Limited ("FOS"):

For further information please contact FOS at:

Mail Address: GPO Box 3 Melbourne VIC 3001
Telephone: 1300 780 808
Fax: 03 9613 6399
Internet: www.fos.org.au

How do we manage our compensation arrangements?

Where we are liable to meet a claim, payment will generally be paid from our cash flows and available resources. For claims, we may rely on and claim under the professional indemnity insurances that we hold. These insurances are between us and the insurer and are intended to respond to civil liability resulting from significant claims for compensation made against us for financial services provided by us or our representatives. These insurances provide cover even if one of our representatives has ceased to act or work for us. Our compensation arrangements comply with the arrangements required by Australian Securities and Investments Commission.

Corporate Directory

DIRECTORS

Jonathan Trollip (Chairman)
Katrina Onishi
Lorraine Berends
Don Hamson
Alex Ihlenfeldt

COMPANY SECRETARY

Ian Harrison

REGISTERED OFFICE

Level 35, 60 Margaret Street
Sydney

SHARE REGISTRY

Boardroom Pty Limited
Level 12, 225 George Street
Sydney

Telephone: 1300 737 760
(inside Australia) or 61 2 9290
9600 (outside Australia)

INVESTIGATING ACCOUNTANT

Pitcher Partners Sydney
Corporate Finance Pty Ltd
Level 22, MLC Centre
19 Martin Place
Sydney

Ph: (02) 9221 2099
Fax: (02) 9223 1762

SOLICITORS TO THE OFFER

Kardos Scanlan
Level 5, 151 Castlereagh
Street
Sydney

MANAGER

Plato Investment Management Limited
Level 35, 60 Margaret Street, Sydney
Ph: 1300 010 311
Email: invest@plato.com.au

MANAGER'S CORPORATE ADVISOR

Seed Partnerships Pty Limited
Level 10, 135 Macquarie Street, Sydney
Ph: 02 9251 8845
Email: info@seedpartnerships.com

JOINT LEAD MANAGERS:

Commonwealth Securities Limited
Ground Floor, Tower 1, 201 Sussex Street,
Sydney

Ord Minnett Limited
Level 8, NAB House, 255 George Street, Sydney

Taylor Collison Limited
Level 16, 211 Victoria Square
Adelaide

CO-MANAGERS:

Wilsons Advisory and Stockbroking Limited
Level 32, Governor Macquarie Tower, 1 Farrer
Place, Sydney

FinClear Execution Ltd
Level 5, 53 Walker Street, North Sydney