



1 May 2017

Company Announcements  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

## **Investment Management Agreement**

### **Pre-Quotation Disclosures**

At the request of ASX, Morphic Ethical Equities Fund Limited (ACN 617 345 123) (**Company**) provides the following additional disclosures in relation to the investment management agreement with Morphic Asset Management Pty Limited (ACN 155 937 901) (**Manager**) dated 6 March 2017 (**Management Agreement**):

- (a) The Company does not hold an Australian financial services licence (**AFSL**) and therefore requires an entity with appropriate AFSL authorisations and investment experience to manage its portfolio. After the Management Agreement expires, the Company will need to enter a new agreement with the Manager or appoint another investment manager. The Company expects that the new management agreement and any changes to the Company's investment strategy would be subject to shareholder approval.
- (b) The Company has exclusively appointed the Manager to manage the Company's portfolio on the terms set out in the Management Agreement.
- (c) The Manager has no right to be issued securities of the Company under the Management Agreement (whether in satisfaction of the amounts due under the Management Agreement or otherwise).
- (d) There is no provision in the Management Agreement allowing the management fee or performance fee to be reviewed or varied over the term of the Management Agreement.
- (e) If the Management Agreement is terminated at any stage, the portfolio would need to be assigned to a replacement manager with appropriate AFSL authorisations and a new management agreement would need to be put in place. The Company would seek all necessary shareholder approvals if this were to occur.
- (f) There is no option, pre-emptive right, right of first refusal or other right for the Manager to acquire any of the assets under the management.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Jack Lowenstein", with a long, sweeping horizontal line extending to the right.

Jack Lowenstein  
Director