



9 May 2018

Clare Porta
Adviser, Listings Compliance
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Ms Porta

Cordish Dixon Private Equity Fund III – Appendix 3Y – Change of Director’s Interest Notice

On 7 May 2018 you raised a number of queries regarding the purchase of 2,676 fully paid units in Cordish Dixon Private Equity Fund III (**CD3**) by Warwick Keneally on 19 October 2017 and 4,439 units in CD3 by Warwick Keneally on 30 October 2017. Walsh & Company Investments Limited (**Walsh & Co**) as responsible entity for CD3 provides the information below in response to your queries.

1. *Did Mr Keneally comply with section 1.6 of the Trading Policy and notify the Company Secretary in writing of his intention to carry out the On-market Transaction before entering into it? If not, why not?*

Mr Keneally complied with section 1.6 of the Trading Policy by providing notice to a delegate of the company secretary.

Walsh & Co’s compliance procedures require that all employees (including Mr Keneally and other directors of Walsh & Co) give prior notice of all proposed trades in listed entities for which Walsh & Co acts as responsible entity. The compliance team, as delegate for the company secretary, reviews all notices and determines whether the trade is to be undertaken outside or within a closed period. If the trade is to be undertaken outside a closed period, the relevant employee receives confirmation that the trade is permitted. If the trade is to be undertaken in a closed period, the employee is advised of this and, if the employee wishes to proceed notwithstanding this, the employee seeks approval from the board in accordance with section 1.8 of the Trading Policy.

In this instance, due to an administrative oversight by a member of the compliance team, Mr Keneally was advised that he was able to proceed and Mr Keneally undertook the trades.

2. *Did the Company Secretary confer with the Chairman of the Board in relation to the proposed On-market Transaction in accordance with section 1.6 of the Trading Policy? If not, why not?*

The company secretary did not confer with the Chairman as she was not informed of the proposed on-market transactions by the compliance team.

3. *Did the Secretary and/or Board grant approval (written or otherwise) to Mr Keneally to carry out the On-market Transactions that appear to have taken place during a closed period? If so, on what basis did it do so? If not, why not?*

Neither the company secretary nor the board granted approval to Mr Keneally to carry out the on-market transaction as neither was informed of the proposed transaction.



4. *Why did the Announcements state in Part 3 that no interests in the Entity's securities were traded during a closed period?*

Walsh & Co stated that no interests CD3's securities were traded during a closed period. This was an error and arose from a failure by the company secretary and the compliance team to appreciate that the trades had in fact occurred during a closed period.

5. *What disciplinary or remedial action is the board of the Entity proposing to take in relation to the apparent breaches of the Entity's Trading Policy?*

Both Mr Keneally and the relevant member of the compliance team have been reminded of the importance of strict compliance with the Trading Policy. Discussions have also been held with the company secretarial and compliance teams regarding the importance of reporting trades by directors of Walsh & Co accurately. Walsh & Co has also initiated a staff training program to ensure that all staff subject to the Trading Policy are aware of their obligations under the policy. Finally, to provide an additional level of protection, prior notice of all trades will be provided to the company secretary at the same time as notice is given to the compliance team.

Mr Keneally accepts that he has breached the Trading Policy and will sell the units acquired on-market at the earliest opportunity after he becomes able to sell the units in accordance with the Trading Policy. Mr Keneally will donate an amount equal to any profit generated on the sale to charity.

6. *Please confirm that the Entity's responses to the questions above have been authorised and approved by its board.*

Walsh & Co's responses to the questions above have been authorised and approved by its board.

Please let me know if you require anything further regarding this issue.

Yours sincerely

Hannah Chan
Company Secretary
Walsh & Company Investments Limited
As responsible entity for the Cordish Dixon Equity Fund III



7 May 2018

Ms Hannah Chan
Company Secretary
Cordish Dixon Private Equity Fund III
Level 15
100 Pacific Highway
North Sydney NSW 2060

By email

Dear Ms Chan,

Cordish Dixon Private Equity Fund III: ASX query

ASX Limited ("ASX") refers to the following:

1. The announcements by Walsh & Company Investments Limited as responsible entity for Cordish Dixon Private Equity Fund III (the "Entity") entitled "Change of Director's Interest Notice - Warwick Keneally" lodged on the ASX Market Announcements Platform on 24 October 2017 and 3 November 2017 (the "Announcements"). The Announcements disclosed:
 - A. The on-market purchase of 2,676 fully paid ordinary units in the Entity by an entity associated with Mr Keneally, a director of the Entity, on 19 October 2017, and the on-market purchase of 4,439 fully paid ordinary units in the Entity by an entity associated with Mr Keneally on 30 October 2017 (the "On-market Transactions"); and
 - B. The units were not traded during a closed period.
2. The Entity's unit trading policy lodged on the ASX Market Announcements Platform on 26 July 2016 (the "Trading Policy") which is also available on the Entity's website and which states, among other things, the following:

"1.1. Unit Trading Policy

The Board has established the following policy to apply to trading in the Fund's units on the ASX. This policy applies to those persons defined below as Restricted Persons of the Fund.

Restricted Persons to whom this policy applies must restrict their buying and selling of Fund's units within the Fund trading window established by this policy...

1.2. Executive restrictions on trading

This Unit Trading Policy and the restrictions on trading in units of the Fund set out below applies to the following representatives of the Fund (Restricted Persons):

(a) the Board...

The Restricted Persons are to be subject to restrictions on trading in the Fund's units at certain times of the year...

1.4. Prohibition on Executives dealing in units

In addition to the overriding prohibition on dealing when a person is in possession of inside information in accordance with the Insider Trading Policy, Restricted Persons and their associated parties are prohibited (unless otherwise agreed to by the Board) from dealing in units during: ...

- b. each period between the end of the half-yearly reporting period and 48 hours immediately after the date upon which the Fund releases its half-yearly financial statements to the ASX...

1.6. Notification rules in relation to dealing in units

Restricted Persons are required to notify the Fund of intended dealings in units of the Fund, by themselves or their associated parties, prior to such intended dealings. This should be done by written notice to the Secretary outlining:

- (a) name of unitholder;
- (b) type of proposed transaction (purchase, sale, etc.); and
- (c) number of units involved.

The Secretary may confer with the Chairman of the Board in relation to any proposed dealing...

1.8. Exceptional Circumstances

Where, in exceptional circumstances, and it is the only reasonable course of action available to a Restricted Person (e.g. a pressing financial commitment that cannot be satisfied otherwise) clearance may be given for the Restricted Person to sell (but not to purchase) units in the Fund when that person would otherwise be prohibited from doing so.

In this section 1.8, "exceptional circumstances" means severe financial hardship, a court order (or court enforceable undertaking), or some other overriding legal or regulatory requirement, to transfer or sell units in the Fund, or other circumstances that may be deemed exceptional by Chairman of the Board. For example, a Restricted Person may be in severe financial hardship if he or she has a pressing financial commitment that cannot otherwise be satisfied....

The Board will decide if circumstances are exceptional...

- 3. *Guidance Note 27: Director Disclosure of Interests and Transactions in Securities – Obligations of Listed Entities* which was published to assist listed entities with their obligations under Listing Rules 3.19A and 3.19B and to give an overview of ASX policy in relation to disclosure of directors' interests and transactions in securities, and *Guidance Note 22: Trading Policies* which was published to assist listed entities to comply with their obligations under Listing Rules 12.9-12.12 regarding trading policies.

ASX notes the following:

- 1. The Entity's half year ended on 30 September 2017.
- 2. The Entity's half yearly report and accounts to 30 September 2017 were lodged on the ASX Market Announcements Platform on 29 November 2017.
- 3. The On-market Transactions would appear to have taken place during a closed period in breach of sections 1.2 and 1.4(b) of the Trading Policy. This is despite the Announcements stating in Part 3 that no interests in the Entity's securities were traded during a Closed Period.

Having regard to the above, and pursuant to Listing Rule 18.7, ASX asks the Entity to respond separately to each of the following questions.

- 1. Did Mr Keneally comply with section 1.6 of the Trading Policy and notify the Company Secretary in writing of his intention to carry out the On-market Transactions before entering into them? If not, why not?
- 2. Did the Company Secretary confer with the Chairman of the Board in relation to the proposed On-market Transactions in accordance with section 1.6 of the Trading Policy? If not, why not?

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3. Did the Secretary and/or Board grant approval (written or otherwise) to Mr Keneally to carry out the On-market Transactions that appear to have taken place during a closed period? If so, on what basis did it do so? If not, why not?
 4. Why did the Announcements state in Part 3 that no interests in the Entity's securities were traded during a closed period?
 5. What disciplinary or remedial action is the board of the Entity proposing to take in relation to the apparent breaches of the Entity's Trading Policy?
 6. Please confirm that the Entity's responses to the questions above have been authorised and approved by its board.

When and where to send your response

Your response is required as soon as reasonably possible and, in any event, **by not later than 9.30am (AEST) on Wednesday, 9 May 2018.**

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail. It should not be sent directly to the ASX Market Announcements Office. This is to allow ASX to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

[Sent electronically without signature]

Clare Porta

Adviser, Listings Compliance (Sydney)