

US Masters Residential Property Fund (Fund)

ASX Code: URF

Meeting convened by Unitholders – information in response from the Responsible Entity

E&P Investments Limited (**RE**), the responsible entity of the US Masters Residential Property Fund (**Fund**), understands that Keybridge Capital Limited, an entity associated with Mr Nicholas Bolton, has, together with other Unitholders in the Fund (collectively, **Keybridge**) issued a notice of meeting of members of the Fund (**Meeting**) to be held at 3.00pm on 30 December 2022 at Rooftop, Conference Room, Level 7, 370 St Kilda Road, Melbourne, Victoria, 3004 (**Notice**). A copy of the Notice is attached.

The RE acknowledges the right of members to call meetings to consider any matter that may properly be put to such a meeting, but considers that **the Notice has serious deficiencies, may be invalid and, in any event, the proposed resolutions will not achieve the objective stated in it.**

In particular:

- **The proposed resolutions, even if passed, will not delay or prevent conversion of the CPUs on 3 January 2023.** The Notice incorrectly represents that if the resolutions are passed, the conversion of the Convertible Preference Units (**CPUs**) into ordinary units in URF can be delayed. Now that the conversion date for the CPUs has been decided and announced, under the Fund's constitution, the conversion is to occur on 3 January 2023 (**Conversion Date**), and the RE does not have the discretion under the Fund's constitution to change that outcome. Even if the appointment of a new RE could be effected, there does not appear to be a proper basis for that new responsible entity to decide in its discretion to delay conversion.
- **No replacement responsible entity has been identified, and there is a risk of wind up which could lead to significant losses.** The Notice proposes the removal of the RE without identifying who the new responsible entity will be. Unitholders have no basis to form a view at present on the capability or intentions of a new responsible entity (or even whether a new responsible entity will, in fact, be appointed). If the RE is removed and no new responsible entity is appointed, under the Corporations Act and the Fund's constitution the Fund will need to be wound up over a short period of time in a manner that the RE believes is likely to disadvantage Unitholders. This could result in significant losses to Unitholders.
- **The Notice is defective in material respects and may be invalid.** There are a number of ways in which, in the RE's view, the Notice is not consistent with the Corporations Act and proper meeting procedure, including that it has not been convened by the required percentage of Unitholders; does not provide a sufficient period of notice; and contains a resolution recommending the RE delays conversion of CPU's which cannot be validly put to Unitholders. The RE intends to initiate court proceedings in relation to these deficiencies and will keep Unitholders informed of the outcome of these proceedings, which may result in the Meeting not going ahead, or proceeding on different terms than anticipated in the Notice.
- **Keybridge is making it difficult for Unitholders to participate.** The meeting is being held on 30 December 2022 at the building of Keybridge's registered office in Melbourne. This is

Australia's traditional holiday period when many Unitholders will not be able to attend. There is also no ability to participate in the meeting on-line.

The RE has complied with its duties. The RE made the decision to convert CPUs to ordinary units on the basis that conversion is in the best interests of Unitholders as a whole, as it is required to do, and nothing that has been asserted or proposed by Keybridge has altered that view. The likelihood that the CPUs would be converted in January 2023 was announced to the market in the Fund's June 2022 update. Further details about the factors in the decision to convert are below.

Stuart Nisbett, Independent Chairman of the RE, said "CPUs will be converted on 3 January 2023 to protect value and cash flow for all Unitholders. This was flagged in June 2022 and formalised on 28 November 2022 after careful consideration. Keybridge is seeking to change the responsible entity on the basis of what we consider to be a notice of meeting with material deficiencies and is being held in the traditional Australian holiday period when most of us will be spending time with family and friends. Keybridge has not yet advised who they are proposing to be the new RE, and therefore, Unitholders cannot yet consider what a new responsible entity's strategy may be and the potential risks."

Mr Nisbett went on to say "The RE is imminently expected to appoint an external manager, Brooksville, to undertake an orderly sale of the assets of the Fund to return capital to Unitholders. Brooksville is an expert in New York residential real estate and will be best placed to maximise the value returned to Unitholders in a timely manner." Further details of this arrangement are set out below.

The RE considers that the Notice and proposed resolutions to be considered at the meeting are flawed. The RE recommends that Unitholders should VOTE NO. The RE recommends that Unitholders who do not intend to attend the Meeting in person vote using the Proxy Form the RE has prepared and will provide to Unitholders (a copy of which is attached) and NOT the Proxy Form that accompanied the Notice sent by Keybridge.

Reasons why you should vote no

Set out below is more detail concerning:

- The flaws of the Keybridge proposal in the Notice
- The RE's plans for the Fund, and the reasons why the conversion of CPUs is considered to be in the best interests of Unitholders as a whole
- How to oppose these flawed resolutions.

The Keybridge proposal is flawed

1. **The proposed resolutions won't achieve Keybridge's represented outcome of delaying the conversion of the Convertible Preference Units (CPUs)**

The CPUs were issued under a PDS dated 1 December 2017 which clearly stated that the CPUs were liable to be converted into ordinary units by the RE in January 2023. The terms of the CPUs were set out in full in the PDS.

The RE, after considering the best interests of Unitholders as a whole, has taken the action necessary to convert the CPUs on 3 January 2023 by issuing a notice on ASX stating the Conversion Date, as the terms require. The RE advised Unitholders of the likelihood of this decision in June 2022 and formalised the decision on 28 November 2022. Once made, the decision is self-executing, that is, no further decision or action by the RE is needed for the conversion to proceed, and the RE has no power under the Fund's constitution to stop the process.¹ The RE also considers that any replacement responsible entity would also not have the power to stop or delay the conversion either.

2. Removing the existing RE could result in significant losses

The course Keybridge proposes of removing the RE, particularly without suggesting a viable alternative responsible entity, runs the risk that the Fund may have to be wound up if the proposed resolution to remove the RE is passed and the resolution to appoint a new responsible entity is not passed (or the yet to be identified new responsible entity does not consent to that role).

The winding up of the Fund will have no effect on the conversion of the CPUs, which will still occur.

If the Fund is put into wind-up, the Fund's constitution requires the assets to be sold within 180 days, if practical. The RE's assessment is that due to the nature of the Fund's assets, being US residential real estate concentrated in certain geographical markets, an orderly sale of the assets would take 2 to 3 years. Having to sell the assets in approximately 6 months may result in heavily discounted asset prices, causing significant losses to Unitholders.

By the time those sales take place, all units in the Fund will be ordinary units, and all unitholders (including those who formerly held CPUs) would bear those unnecessary losses.

In contrast, under the proposed arrangements described below, the Fund's assets are to be sold down over an appropriate period of time, with the aim of maximising the returns available to Unitholders.

Removing the RE would likely result in Fund staff leaving the group. This could impact the Fund's ability to operate its business and meet its financial obligations. It is unclear under the Keybridge proposal how they would operate the Fund going forwards.

3. Keybridge is motivated by its own interests, not the interests of all Unitholders

The RE believes that Keybridge is seeking to act in its own interests, rather than the interests of Unitholders as a whole. Keybridge has acquired CPUs on market at a substantial discount to face value. It appears to the RE that Keybridge is seeking to influence the way in which the Fund is managed in order to make a profit on the CPUs it owns and it appears Keybridge is not considering the interests of other Unitholders.

¹ While the Fund's constitution could be amended to insert a power to defer or cancel conversion (which the RE does not support) this would, in the RE's view, require a special resolution of Unitholders (and a separate special resolution of CPU holders). This course of action has not been proposed by Keybridge.

4. Timing of the meeting on 30 December 2022 seeks to exert maximum leverage through Keybridge's minority CPU unitholding at a time when it is difficult for many Unitholders to fully participate

Keybridge has sought to set a meeting time, date and place when the majority of Unitholders would find it difficult to attend and participate. The RE is concerned that many Unitholders will either be unaware of the vote or unable to participate given the time of year, and there is no opportunity to participate in the meeting on-line. Therefore, the RE is concerned that voter turnout could be low and the holding of Keybridge will represent a much higher relative vote than if the vote was held at a more convenient time and place, and allowed for on-line participation.

As noted above, Keybridge has been aware of the likelihood of the CPUs being converted since June 2022.

5. There is a high level of uncertainty under the proposal

The RE considers that there is very limited detail provided in the Notice, including no information on an incoming responsible entity's proposed strategy if the RE is removed and replaced. This introduces significant risk to Unitholders in contrast to the RE's very clear strategy to sell assets in a timely manner and return proceeds to Unitholders, with the intention of maximising value.

Why the RE's plans for the Fund are the better course

1. The RE is seeking to achieve maximum returns for Unitholders by pursuing a controlled asset disposal strategy through highly credentialed manager, Brooksville.

Brooksville Company LLC, the proposed new property and asset manager for the Fund, is (in association with Pinnacle City Living) (**Brooksville**) developing a disposal strategy that they believe best maximises the value to the Fund, including finalising criteria for determining which assets to sell and exploring opportunities for bulk sales. The plan was developed over the past 16 months, where Brooksville conducted significant due diligence on the URF portfolio and operating platform under a confidentiality agreement with the RE. Brooksville will continue to recalibrate the strategy based on the macroeconomic and interest rate environment.

The RE believes that implementation and execution of Brooksville's orderly program of asset sales is in Unitholders' best interests.

2. The RE believes the conversion of the CPUs is in Unitholders' best interests as a whole

The RE made the decision to convert the CPUs after careful consideration and mindful of its statutory duty in respect of all matters in its discretion to act in the best interests of Unitholders as a whole and not in the particular interests of either class of Unitholders in the Fund. Its reasons included the following.

Increased financial and operational risk

Electing not to convert the CPUs and instead exercise the distribution step-up would mean the Fund's stabilised free cash flow would be insufficient to cover annual CPU distributions. The

increased distribution rate of 8.75% which is payable on the CPUs from 1 January 2023, totals annual CPU distributions of approximately A\$15.8 million.

In order to fund the increased distribution amount, it is anticipated that URF would have been forced to sell approximately A\$41 million worth of property per annum (based on the current AUD/USD rate and after taking into account mandatory debt repayments and selling costs). By diverting cash to fund higher CPU distributions instead of reducing leverage, URF would be increasing the operational and financial risk to the Fund, particularly at a time of economic uncertainty, rising interest rates, and high inflation. Imposing forced sales to meet higher CPU distributions could negatively impact the value that could be achieved by Brooksville's disposal strategy.

In addition, the Fund faces currency risk as the CPU coupons are payable in Australian dollars and the Fund's assets and income are denominated in US dollars. If the Australian dollar were to appreciate against the US dollar, the relative funding shortfall would be greater.

Increased refinancing risk

URF's refinancing risk would also have been materially higher by keeping the CPUs outstanding. At the time of any refinancing, URF would have more debt to refinance than it otherwise would have if cash had not been diverted to the higher CPU distributions. New lenders may also prefer that URF did not have the CPUs outstanding, resulting in higher refinancing costs.

Eliminating the CPUs from the structure via conversion and moving to a simple structure which only includes senior debt and one class of equity will give URF greater financing flexibility.

The CPU terms always envisaged conversion for the benefit of Unitholders as a whole if they could not be repaid / refinanced on acceptable terms by January 2023.

3. Background to decision to convert

On 25 May 2022 (US time), Rockpoint Group LLC (**Rockpoint**) informed URF that they had determined not to proceed with a transaction for a bulk sale of the majority of the Fund's properties (**Transaction**) on the agreed terms due to a perceived deterioration in market conditions, notably a markedly increased interest rate environment and broader economic uncertainty.

As a result, the Transaction was terminated, and on 14 June 2022, URF announced to investors that it had commenced further significant cost reductions to its operating platform, was exploring alternative structures, such as outsourcing management, to drive further cost reductions and grow revenue through increases in rent, and was resuming its asset disposal program. URF also announced that, based on factors at that time, the RE would likely convert the CPUs into ordinary URF units per the terms of the CPUs under the Fund's constitution.

On 28 November 2022, the RE, made the required announcement on the ASX platform that the CPUs are to be converted on 3 January and separately provided notice of conversion to CPU holders. This followed careful consideration by the RE, mindful of its statutory duty in respect of all matters in its discretion to act in the best interests of Unitholders as a whole, not in the particular interests of either class of unit holders in the Fund.

The above reasons provide a compelling case why you should VOTE NO.

How to cast your vote

Keybridge does not have the email addresses of Unitholders, and accordingly the RE understand the Notice was posted to you. At this time of year, the post may take some time to arrive. In the interests of facilitating your right to receive timely information and to vote, accompanying this announcement is a copy of the Notice.

The Notice as sent by Keybridge includes a Proxy Form. The RE is providing to each Unitholder an alternative proxy form which Unitholders can conveniently complete and return electronically (as opposed to Keybridge's proxy form which must be returned in person or by post).

The RE encourages Unitholders who cannot or do not wish to attend the meeting in person to use the Proxy Form the RE is providing.

For questions regarding this announcement, please contact our Investor Relations team at 1300 454 801.

Media Enquiries: James Strong, Citadel Magnus + 61 448 881 174 jstrong@citadelmagnus.com

Authorised for release by E&P Investments Limited (ACN 152 367 649 | AFSL 410 433), the responsible entity of US Masters Residential Property Fund.

All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

PROXY FORM - YOUR VOTE IS IMPORTANT

For your appointment of proxy to be effective it must be received by Boardroom or the Responsible Entity before 3:00pm (AEDT) on Wednesday 28 December 2022. Note: You cannot cast a direct vote online in advance of the meeting, but you can lodge a proxy vote in advance of the meeting. If you have already sent a proxy form voting in a different way, you can change your vote by completing this form and submitting it by this deadline.

🖨 TO LODGE A PROXY VOTE ONLINE

- STEP 1:** VISIT <https://www.votingonline.com.au/urfgm2022>
- STEP 2:** Enter your Postcode OR Country of Residence (if outside Australia)
- STEP 3:** Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.
If you wish to appoint the Chairman of the Responsible Entity as your proxy, mark the box.
If you wish to appoint someone else as your proxy please write the full name of that individual or body corporate. If you do not mark the box and leave this section blank, or your named proxy does not attend the meeting, the Chair of the Responsible Entity will be your proxy. A proxy need not be a securityholder of the fund. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the funds's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the fund's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the registered securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **3:00pm (AEDT) on Wednesday 28 December 2022**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** <https://www.votingonline.com.au/urfgm2022>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 8, 210 George Street
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

US Masters Residential Property Fund

ARSN 150 256 161

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **US Masters Residential Property Fund** (Fund) and entitled to attend and vote hereby appoint:

☐

the **Chairman of the Responsible Entity** (mark box)

OR if you are **NOT** appointing the Chairman of the Responsible Entity as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Responsible Entity as my/our proxy at the General Meeting of the Fund to be held at the **Rooftop Conference Room, Level 7, 370 St Kilda Road, Melbourne, Victoria, 3004 on Friday, 30 December 2022 at 3:00pm (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote on Resolutions 1, 2 and 3 in accordance with the following directions or if no directions have been given, as the proxy sees fit, and to vote as the proxy sees fit on any procedural or other resolution that may be put at the meeting.

If you do not mark any of the boxes for a Resolution in the voting directions below:

- a) If the Chairman of the Responsible Entity is your proxy, he will cast your votes **AGAINST** that item of business; or
- b) If the Chair of the meeting (a person elected at the meeting) is your proxy, they are directed by this form to cast your votes **AGAINST** that item of business.

Otherwise, please direct your proxy how to vote by marking just **ONE** box next to each Resolution below.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Delay of CPU Conversion*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Removal of Responsible Entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Appointment of new Responsible Entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* For more information about the nature and effect of this proposed resolution, see the statement provided by the Responsible Entity with this form.

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2022

Notice of General Meeting

US Masters Residential Property Fund

ARSN: 150 256 161

To be held as follows:

Date: 30 December 2022

Time: 3:00pm (Melbourne time)

Venue: Rooftop Conference Room, Level 7, 370 St Kilda Road, Melbourne, Victoria, 3004

Important Notices

This Notice of Meeting and Explanatory Memorandum is issued by Keybridge Capital Limited (ACN 088 267 190) (**Keybridge**), Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for HHY Fund, Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for Aurora Dividend Investment Trust, Australian Style Holdings Pty Ltd ATF NFJB Superfund (ACN 108 602 491), Mr Roger Hearnden, Peter Davies Pty Ltd (ACN 138 794 555), Roadnight Super Nominees Pty Ltd (ACN 135 247 497), Tall Cam Pty Ltd (ACN 160 862 886), Mr Victor Fred Siciliano, Mr Vittorio Siciliano + Mrs Gina Siciliano ATF VFS Superfund, Miss Cassandra Leigh Hancock, A & G Siciliano Superannuation Pty Ltd (ACN 601 060 646), Wonfair Investments Pty Ltd (ACN 612 982 939), Mr Tim Sanderma Staermose, 343 Pty Ltd (ACN 621 408 839), 38 Pty Ltd (ACN 606 868 606), Mr Christopher Carron + Mr Dennis Carron ATF D A CARRON SUPER FUND, JMA International Pty Ltd (ACN 601 958 016), Benkar Trading Pty Ltd (ACN 112 327 205), Shanteer Pty Ltd ATF Ian Jeffrey Super Fund (ACN 052 348 197), LIS Private Pty Ltd ATF The LIS Private Unit Trust (ACN 603 787 668), Pitteuchar Pty Limited (ACN 004 901 571), Maxim Financial, LLC, Mr Richard Philip Wilkins, Hoff Company No 1 Pty Limited (ACN 083 096 922), Hoff Company No 3 Pty Ltd ATF Berend Hoff Super Fund (ACN 617 261 033), Mr Christof Burlefinger, UWA Capital Management Pty Ltd ATF UWA Master Fund (ACN 616 242 329), Astonby Capital Management Pty Ltd ATF Indigo Trust (ACN 625 752 687), Mr Sunny Yang & Mrs Connie Yang (**Convenors**). The Convenors hold units representing in excess of 5% of the units on issue and are entitled to call and arrange to hold the meeting the subject of this Notice of Meeting under section 252D(1) and section 601FM(1A)(b) of the *Corporations Act 2001* (Cth).

General

This is an important document and requires your immediate attention. You should read this document completely and carefully before deciding how to vote on the resolutions set out in this Notice of Meeting and, if necessary, consult your investment, tax, legal or other professional adviser. A proxy form for the Meeting is enclosed.

Preparation and Responsibility

This Notice of Meeting and Explanatory Memorandum has been prepared by the Convenors and has not been prepared by E&P Investments Limited (ACN 152 367 649) (AFSL 410 433) as the Responsible Entity (**Responsible Entity**) for the US Masters Residential Property Fund (ARSN 150 256 161) (**URF**).

Basis for Meeting to be convened

The Convenors confirm that the Meeting is convened in accordance with the *Corporations Act 2001* (Cth) including sections 252D(1) and 601FM(1A)(b) of the *Corporations Act 2001* (Cth). The resolutions to be considered at the Meeting are ordinary resolutions.

Investment Decisions

This Notice of Meeting and Explanatory Memorandum does not take into account the investment objectives, financial situation, tax position or requirements of any particular person. The information contained in this Notice of Meeting and Explanatory Memorandum is not financial product advice. This Notice of Meeting and Explanatory Memorandum should not be relied on as the sole basis for any investment decision in relation to your URF units or otherwise. You should seek independent financial and taxation advice before making any decision in relation to URF units or the resolutions set out in the Notice of Meeting. It is important that you read this Notice of Meeting and Explanatory Memorandum in full before making any decision as to how to vote on the resolutions set out in this Notice of Meeting.

Accuracy of information

While all reasonable care has been taken in relation to the preparation and collation of this Notice of Meeting and Explanatory Memorandum, no person, including, but not limited to the Convenors, Responsible Entity or any of their affiliates, officers, employees or agents, accepts any responsibility for any loss or damage arising or resulting in any way from the use or reliance on this Notice of Meeting and Explanatory Memorandum by any person.

Intentions of proposed replacement responsible entity

The proposed replacement responsible entity will be advised in advance of the Meeting. The replacement responsible entity will conduct a review of the decision to convert the CPU in addition to strategy, operations, activities, assets and contractual arrangements of URF in light of the information which may then become available to it (**Review**). Final decisions will only be reached in light of all material facts and circumstances.

Notice to foreign persons

This Notice of Meeting has been prepared to comply with the requirements of the laws of Australia, which may differ from the requirements in jurisdictions outside of Australia.

Return of Proxy Forms

You have a right to appoint a proxy, but Proxy Forms must be received by Keybridge or the Responsible Entity at least 48 hours prior to the commencement of the Meeting, being 3pm on 28 December 2022. While it is the preference of Keybridge for unitholders to send the Proxy Forms, corporate authorised representative forms and power of attorney or authorities to Suite 614, Level 6, 370 St Kilda Road, Melbourne, VIC 3004, these documents may also be returned to the Responsible Entity.

The correct address of the Responsible Entity for return of Proxy Forms and associated documents is Level 32, 1 O'Connell Street, Sydney, NSW 2000. A separate Proxy Form noting this address is enclosed with this statement.

This Notice of Meeting is dated 9 December 2022.

Signed by the duly authorised officer of the Convenors

 <p>Nicholas Bolton Managing Director Keybridge Capital Limited (ACN 088 267 190)</p>	 <p>Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for HHY Fund</p>	 <p>Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for Aurora Dividend Investment Trust</p>	 <p>Australian Style Holdings Pty Ltd ATF NFJB Superfund (ACN 108 602 491)</p>
 <p>Mr Roger Hearnden</p>	 <p>Peter Davies Pty Ltd (ACN 138 794 555)</p>	 <p>Roadnight Super Nominees Pty Ltd (ACN 135 247 497)</p>	 <p>Tall Cam Pty Ltd (ACN 160 862 886)</p>
 <p>Mr Victor Fred Siciliano</p>	 <p>Mr Vittorio Siciliano + Mrs Gina Siciliano ATF VFS Superfund</p>	 <p>A & G Siciliano SUPERANNUATION PTY LTD (ACN 601 060 646)</p>	 <p>Wonfair Investments Pty Ltd (ACN 612 982 939)</p>
 <p>Mr Tim Sanderma Staermose</p>	 <p>Rita Carron 343 Pty Ltd (ACN 621 408 839)</p>	 <p>38 Pty Ltd (ACN 606 868 606)</p>	 <p>Dennis Carron Mr Christopher Carron + Mr Dennis Carron ATF D A CARRON SUPER FUND</p>
 <p>JMA International Pty Ltd (ACN 601 958 016)</p>	 <p>Benkar Trading Pty Ltd (ACN 112 327 205)</p>	 <p>LIS Private Pty Ltd ATF The LIS Private Unit Trust (ACN 603 787 668)</p>	 <p>Pitteuchar Pty Limited (ACN 004 901 571)</p>
<p>Per David Mouw</p> <p>David Mouw Maxim Financial, LLC Registered Holder BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAIL CLIENT DRP></p>	 <p>Mr Richard Philip Wilkins</p>	 <p>Hoff Company No 1 Pty Limited (ACN 083 096 922)</p>	 <p>Hoff Company No 3 Pty Ltd ATF Berend Hoff Super Fund (ACN 617 261 033)</p>
<p>Per Chrisof Burlefinger</p> <p>Mr Christof Burlefinger</p>	 <p>UWA Capital Management Pty Ltd ATF UWA Master Fund (ACN 616 242 329)</p>	 <p>Astonby Capital Management Pty Ltd ATF Indigo Trust (ACN 625 752 687) Registered Holder BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAIL CLIENT DRP></p>	 <p>Mr Sunny Yang & Mrs Connie Yang</p>
 <p>Shanteer Pty Ltd ATF Ian Jeffrey Super Fund (ACN 052 348 197)</p>	 <p>Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for HHY Fund Registered Holder BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAIL CLIENT DRP></p>	 <p>Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for Aurora Dividend Investment Trust Registered Holder BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAIL CLIENT DRP></p>	 <p>Miss Cassandra Leigh Hancock</p>

Key information and dates

Time and date of Meeting:	A meeting of the members of URF will be held at 3:00pm (Melbourne time) on 30 December 2022.
Place of meeting:	The meeting will be held at Rooftop Conference Room, 370 St Kilda Road, Melbourne, Victoria, 3004.
Entitlement to vote:	For the purposes of the meeting, persons who are registered holders of units in URF (ordinary and/or CPU class) 48 hours prior to the time of the Meeting are entitled to vote.
Latest time for receipt of Proxy Forms:	Proxy Forms must be returned to Keybridge or the Responsible Entity at least 48 hours before the start of the meeting.

US Masters Residential Property Fund

Notice is hereby given by Keybridge Capital Limited (ACN 088 267 190), Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for HHY Fund, Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for Aurora Dividend Investment Trust, Australian Style Holdings Pty Ltd ATF NFJB Superfund (ACN 108 602 491), Mr Roger Hearnden, Peter Davies Pty Ltd (ACN 138 794 555), Roadnight Super Nominees Pty Ltd (ACN 135 247 497), Tall Cam Pty Ltd (ACN 160 862 886), Mr Victor Fred Siciliano, Mr Vittorio Siciliano + Mrs Gina Siciliano ATF VFS Superfund, Miss Cassandra Leigh Hancock, A & G Siciliano Superannuation Pty Ltd (ACN 601 060 646), Wonfair Investments Pty Ltd (ACN 612 982 939), Mr Tim Sanderma Staermose, 343 Pty Ltd (ACN 621 408 839), 38 Pty Ltd (ACN 606 868 606), Mr Christopher Carron + Mr Dennis Carron ATF D A CARRON SUPER FUND, JMA International Pty Ltd (ACN 601 958 016), Benkar Trading Pty Ltd (ACN 112 327 205), Shanteer Pty Ltd ATF Ian Jeffrey Super Fund (ACN 052 348 197), LIS Private Pty Ltd ATF The LIS Private Unit Trust (ACN 603 787 668), Pitteuchar Pty Limited (ACN 004 901 571), Maxim Financial, LLC, Mr Richard Philip Wilkins, Hoff Company No 1 Pty Limited (ACN 083 096 922), Hoff Company No 3 Pty Ltd ATF Berend Hoff Super Fund (ACN 617 261 033), Mr Christof Burlefinger, UWA Capital Management Pty Ltd ATF UWA Master Fund (ACN 616 242 329), Astonby Capital Management Pty Ltd ATF Indigo Trust (ACN 625 752 687), Mr Sunny Yang & Mrs Connie Yang (**Convenors**) under sections 252D and 601FM(1A)(b) (as inserted by ASIC Class Order 13/519) of the *Corporations Act 2001* (Cth) that a meeting of members of URF (**Meeting**) will be held at 3pm on 30 December 2022 at Rooftop, 370 St Kilda Road, Melbourne, Victoria, 3004.

Business of the Meeting

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

Resolution 1 – Delay of CPU Conversion

“That the members recommend that E&P Investments Limited (ACN 152 367 649) as Responsible Entity delays with the conversion of CPUs into fully paid ordinary units, as contemplated under the announcement dated 28 November 2022 until 1 July 2023.”

Resolution 2 – Removal of Responsible Entity

“That E&P Investments Limited (ACN 152 367 649) be removed as the responsible entity of the US Masters Residential Property Fund (ARSN 150 256 161).”

Resolution 3 – Appointment of new Responsible Entity

“That a new appropriately licensed responsible entity notified by the Convenors to the members of URF be appointed as the new responsible entity of the US Masters Residential Property Fund (ARSN 150 256 161).”

Resolution 1 is independent of Resolutions 2 and 3. To the extent that the Responsible Entity resolves to act in accordance with Resolution 1 prior to or at the Meeting, then it is intended that Resolution 2 and Resolution 3 will be withdrawn and not be put to a vote at the Meeting.

The Resolutions are ordinary resolutions. This means that the Resolutions will be passed if more than 50% of the votes cast by members of URF entitled to vote on the Resolutions and present at the Meeting (either in person or by proxy) are cast in favour of the Resolutions.

By order of The Convenors

 <p>Nicholas Bolton Managing Director Keybridge Capital Limited (ACN 088 267 190)</p>	 <p>Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for HHY Fund</p>	 <p>Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for Aurora Dividend Investment Trust</p>	 <p>Australian Style Holdings Pty Ltd ATF NFJB Superfund (ACN 108 602 491)</p>
 <p>Mr Roger Hearnden</p>	 <p>Peter Davies Pty Ltd (ACN 138 794 555)</p>	 <p>Roadnight Super Nominees Pty Ltd (ACN 135 247 497)</p>	 <p>Tall Cam Pty Ltd (ACN 160 862 886)</p>
 <p>Mr Victor Fred Siciliano</p>	 <p>Mr Vittorio Siciliano + Mrs Gina Siciliano ATF VFS Superfund</p>	 <p>A & G Siciliano SUPERANNUATION PTY LTD (ACN 601 060 646)</p>	 <p>Wonfair Investments Pty Ltd (ACN 612 982 939)</p>
 <p>Mr Tim Sanderma Staermose</p>	 <p>Rita Carron 343 Pty Ltd (ACN 621 408 839)</p>	 <p>38 Pty Ltd (ACN 606 868 606)</p>	 <p>Dennis Carron Mr Christopher Carron + Mr Dennis Carron ATF D A CARRON SUPER FUND</p>
 <p>JMA International Pty Ltd (ACN 601 958 016)</p>	 <p>Benkar Trading Pty Ltd (ACN 112 327 205)</p>	 <p>LIS Private Pty Ltd ATF The LIS Private Unit Trust (ACN 603 787 668)</p>	 <p>Pitteuchar Pty Limited (ACN 004 901 571)</p>
<p>Per David Mouw</p> <p>David Mouw Maxim Financial, LLC Registered Holder BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAIL CLIENT DRP></p>	 <p>Mr Richard Philip Wilkins</p>	 <p>Hoff Company No 1 Pty Limited (ACN 083 096 922)</p>	 <p>Hoff Company No 3 Pty Ltd ATF Berend Hoff Super Fund (ACN 617 261 033)</p>
<p>Per Chrisof Burlefinger</p> <p>Mr Christof Burlefinger</p>	 <p>UWA Capital Management Pty Ltd ATF UWA Master Fund (ACN 616 242 329)</p>	 <p>Astonby Capital Management Pty Ltd ATF Indigo Trust (ACN 625 752 687) Registered Holder BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAIL CLIENT DRP></p>	 <p>Mr Sunny Yang & Mrs Connie Yang</p>
 <p>Shanteer Pty Ltd ATF Ian Jeffrey Super Fund (ACN 052 348 197)</p>	 <p>Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for HHY Fund Registered Holder BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAIL CLIENT DRP></p>	 <p>Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for Aurora Dividend Investment Trust Registered Holder BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAIL CLIENT DRP></p>	 <p>Miss Cassandra Leigh Hancock</p>

Explanatory Memorandum

This Explanatory Memorandum sets out further information regarding the Resolutions to be considered at the meeting of members of the US Masters Residential Property Fund to be held at 3:00pm (Melbourne time) on 30 December 2022

What is this document?

This Explanatory Memorandum for URF sets out the background to the Resolutions as set out in the Notice of Meeting.

You are receiving this document as the URF register of Members indicates that you are a Member as at the date of this Notice of Meeting and Explanatory Memorandum.

Under section 252F of the *Corporations Act 2001* (Cth) at least 21 days' notice must be given of a meeting of members of a registered managed investment scheme. This document provides that notice to Members.

Why has this Meeting been called?

Members are being asked to consider the Resolutions to seek to cause the responsible entity to cancel or delay the conversion of CPUs to fully paid ordinary units, remove E&P Investments Limited as the responsible authority and to replace it with a new responsible entity to be advised prior to the Meeting.

The Convenors are concerned that the conversion of CPUs to fully paid ordinary units is not currently in the best interests of members as a whole and should be delayed to facilitate alternative outcomes that may be.

If the current responsible entity does not resolve to act in accordance with a democratic vote of unit holders on the matter of conversion (Resolution 1), then unit holders have the option of replacing the current responsible entity with a new responsible entity that can approach the governance of the trust with a fresh mind.

Who is paying for the Meeting?

In accordance with section 252D(1) of the *Corporations Act 2001* (Cth), the Convenors are responsible for the expenses of calling and holding the Meeting and distributing this document.

The Convenors of the Meeting

This Meeting is convened by Keybridge Capital Limited and Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for HHY Fund, Aurora Funds Management Limited (ACN 092 626 885) as Responsible Entity for Aurora Dividend Investment Trust, Australian Style Holdings Pty Ltd ATF NFJB Superfund (ACN 108 602 491), Mr Roger Hearnden, Peter Davies Pty Ltd (ACN 138 794 555), Roadnight Super Nominees Pty Ltd (ACN 135 247 497), Tall Cam Pty Ltd (ACN 160 862 886), Mr Victor Fred Siciliano, Mr Vittorio Siciliano + Mrs Gina Siciliano ATF VFS Superfund, Miss Cassandra Leigh Hancock, A & G Siciliano Superannuation Pty Ltd (ACN 601 060 646), Wonfair Investments Pty Ltd (ACN 612 982 939), Mr Tim Sanderman Staermose, 343 Pty Ltd (ACN 621 408 839), 38 Pty Ltd (ACN 606 868 606), Mr Christopher Carron + Mr Dennis Carron ATF D A CARRON SUPER FUND, JMA International Pty Ltd (ACN 601 958 016), Benkar Trading Pty Ltd (ACN 112 327 205), Shanteer Pty Ltd ATF Ian Jeffrey Super Fund (ACN 052 348 197), LIS Private Pty Ltd ATF The LIS Private Unit Trust (ACN 603 787 668), Pitteuchar Pty Limited (ACN 004 901 571), Maxim Financial, LLC, Mr Richard Philip Wilkins, Hoff Company No 1 Pty Limited (ACN 083 096 922), Hoff Company No 3 Pty Ltd ATF Berend Hoff Super Fund (ACN 617 261 033), Mr Christof Burlefinger, UWA Capital Management Pty Ltd ATF UWA Master Fund (ACN 616 242 329), Astonby Capital Management Pty Ltd ATF Indigo Trust (ACN 625 752 687), Mr Sunny Yang & Mrs Connie Yang

Section 252D(1) of the *Corporations Act 2001* (Cth) provides that members of a registered scheme who hold interests carrying at least 5% of the votes that may be cast at a meeting of the scheme's members may call and arrange to hold a meeting of the scheme's members to consider and vote on a proposed special resolutions or a proposed extraordinary resolutions.

Under section 601FM(1A) of the *Corporations Act 2001* (Cth) (as notionally inserted by ASIC Class Order 13/519) where a registered scheme is listed (as is the case with URF), the kind of resolutions that members must pass to change the responsible entity are ordinary resolutions. The members calling the meeting must pay the expenses of calling and holding the meeting.

The Convenors hold interests in units representing in excess of 5% of the units on issue in URF and so are entitled to call and arrange to hold the meeting the subject of this Notice of Meeting.

Consequences of the Resolutions being passed

If Resolution 1 is passed and the Responsible Entity resolves to act in accordance with Resolution 1, then the conversion of CPUs as outlined in the announcement on 28 November 2022 (**CPU Conversion Announcement**) will be delayed until 1 July 2023.

If Resolutions 2 and 3 are passed, then E&P Investments Limited will be removed as responsible entity of URF and a replacement responsible entity to be advised prior to the Meeting, will become replacement responsible entity provided that the replacement responsible entity has consented to that appointment.

The removal of E&P Investments Limited and the appointment of the replacement responsible entity will take effect upon the lodgement of a notice of change of responsible entity with ASIC (which must be completed and lodged by E&P Investments Limited as soon as possible and in any event within two business days after Resolutions 2 and 3 are passed) and ASIC updating its records to name the replacement responsible entity as the responsible entity of URF.

As a consequence of the replacement responsible entity becoming the responsible entity of URF, the rights, obligations and liabilities of E&P Investments Limited in relation to URF will become the rights, obligations and liabilities of the replacement responsible entity as the responsible entity of URF.

Consequences of the Resolutions not being passed

If the Resolutions are not passed, E&P Investments Limited will remain as responsible entity of URF and the conversion will continue unless varied by E&P Investments Limited.

What do I need to do?

Step 1 — read the Notice of Meeting and this Explanatory Memorandum:

Read this Notice of Meeting and Explanatory Memorandum in its entirety and decide how you will vote on each of the Resolutions. If you are in any doubt as to the course of action to be taken you should obtain professional advice without delay.

Step 2 — vote on the Resolutions:

Vote by using the attached Proxy Form and directing whether you vote in favour, against or abstain from voting on each of the Resolutions as a Member, or attend the Meeting and vote in favour, against or abstain from voting on each of the Resolutions.

Proxy Forms must be received by Keybridge or the Responsible Entity by no later than 48 hours before the Meeting. Originals of the Proxy Forms must be sent to Keybridge or the Responsible Entity.