

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

BlackRock Investment Management (Australia) Limited (**BIMAL**) as responsible entity for iShares MSCI Taiwan ETF (**ITW**).

ITW is currently listed as a CDI and it will be converted to a managed investment scheme (**MIS**) on a one for one basis.

In relation to this conversion BIMAL is required to lodge an Appendix 3B in relation to (1) the new ETF Units in a registered managed investment scheme and (2) an allocation interest in the new units (required for the conversion implementation).

ABN

13 006 165 975

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | 1. ETF Units in a MIS<br>2. Allocation Interest in ETF units   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 1. Not known. As at 30 September 2018 there was 967,655 CDIs in the existing cross listed structure to be converted<br>2. 2,100 CDIs which will be converted into units of the MIS |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. No principle terms<br>2. Converted to units of the registered MIS on a one for one basis. The price will align to the MIS (no discount)   |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional <sup>+</sup>securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>1. All Securities rank equally</p> <p>2. All Securities rank equally</p>
<p>5 Issue price or consideration</p>	<p>1. The issue/conversion price or value aligns to the existing CDIs trading on the exchange</p> <p>2. As above</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1. As stated the creation of units in a MIS is required for the conversion/reconstruction corporate action previously announced to the market.</p> <p>2. Required for the conversion implementation in order to distinguish the new managed investment scheme units from the existing CDIs trading on exchange</p>
<p>6a Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the <sup>+</sup>securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>N/A. Listing Rule 7.1A does not apply.</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>n/a</p>
<p>6c Number of <sup>+</sup>securities issued without security holder approval under rule 7.1</p>	<p>n/a</p>

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<sup>+</sup> See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	n/a
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A. Listing Rule 7.3 does not apply.
6f	Number of +securities issued under an exception in rule 7.2	N/A. Listing Rule 7.2 does not apply.
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	n/a
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	n/a
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	n/a
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<ol style="list-style-type: none"> <li>1. Issued on implementation of conversion on the 19 October 2018</li> <li>2. Issued on the 30 September 2018 as the new MIS is established</li> </ol>
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number based on number of eligible CDI shares on 30 September 2018
		<div> <div>967,655</div> <div>967,655 when conversion occurs</div> <div>2,100</div> </div> <div> <div>+Classes of iShares MSCI Taiwan ETF (ITW)</div> <div>CDI MIS</div> <div>Allocation interest</div> </div>

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>9 Number and <sup>+</sup>class of all <sup>+</sup>securities not quoted on ASX (including the <sup>+</sup>securities in section 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="694 253 997 302">Number</th><th data-bbox="997 253 1284 302"><sup>+</sup>Class</th></tr> </thead> <tbody> <tr> <td data-bbox="694 302 997 526">None</td><td data-bbox="997 302 1284 526"></td></tr> </tbody> </table>	Number	<sup>+</sup> Class	None	
Number	<sup>+</sup> Class				
None					
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>n/a – the new units will distribute all income in accordance with the PDS</p>				

## Part 2 - Pro rata issue

<p>11 Is security holder approval required?</p>	<p>No.</p>
<p>12 Is the issue renounceable or non-renounceable?</p>	<p>n/a</p>
<p>13 Ratio in which the <sup>+</sup>securities will be offered</p>	<p>n/a</p>
<p>14 <sup>+</sup>Class of <sup>+</sup>securities to which the offer relates</p>	<p>Units</p>
<p>15 <sup>+</sup>Record date to determine entitlements</p>	<p>n/a</p>
<p>16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?</p>	<p>n/a</p>
<p>17 Policy for deciding entitlements in relation to fractions</p>	<p>n/a</p>
<p>18 Names of countries in which the entity has security holders who will not be sent new offer documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p>	<p>n/a</p>
<p>19 Closing date for receipt of acceptances or renunciations</p>	<p>n/a</p>

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<sup>+</sup> See chapter 19 for defined terms.

20	Names of any underwriters	n/a
21	Amount of any underwriting fee or commission	n/a
22	Names of any brokers to the issue	n/a
23	Fee or commission payable to the broker to the issue	n/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	n/a
25	If the issue is contingent on security holders' approval, the date of the meeting	n/a
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	n/a
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	n/a
28	Date rights trading will begin (if applicable)	n/a
29	Date rights trading will end (if applicable)	n/a
30	How do security holders sell their entitlements <i>in full</i> through a broker?	n/a
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	n/a

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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- |    |  |     |
|----|--|-----|
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | n/a |
| 33 | +Issue date  | n/a |

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of +securities  
(tick one)
- (a) ☒ +Securities described in Part 1
- (b) ☐ All other +securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37 ☒ A copy of any trust deed (PDS and Constitution) for the additional +securities

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+ See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38	Number of <sup>+</sup> securities for which <sup>+</sup> quotation is sought					
39	<sup>+</sup> Class of <sup>+</sup> securities for which quotation is sought					
40	<p>Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional <sup>+</sup>securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another <sup>+</sup>security, clearly identify that other <sup>+</sup>security)</p>					
42	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX ( <i>including</i> the <sup>+</sup> securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;"><sup>+</sup>Class</th> </tr> <tr> <td style="height: 60px;"></td> <td style="height: 60px;"></td> </tr> </table>	Number	<sup>+</sup> Class		
Number	<sup>+</sup> Class					

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<sup>+</sup> See chapter 19 for defined terms.

**Quotation agreement**

- 1      <sup>+</sup>The admission of the <sup>+</sup>securities being issued in the reorganisation to trading status is in ASX's absolute discretion. ASX may admit the <sup>+</sup>securities to trading status on any conditions it decides.
- 2      We warrant the following to ASX.
  - The <sup>+</sup>securities to be admitted to trading status will be validly issued and their issue will comply with the law and not be for an illegal purpose.
  - The <sup>+</sup>securities will comply with the conditions for admission to trading status in clause 10A.3 of Schedule 10A of the ASX Operating Rules.
  - An offer of the <sup>+</sup>securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - At the time the <sup>+</sup>securities are admitted to trading status and at all times thereafter, section 724 or section 1016E of the Corporations Act will not apply to any applications received by us in relation to any of the <sup>+</sup>securities and no-one will have any right to return any of the <sup>+</sup>securities under sections 737, 738 or 1016F of the Corporations Act.
  - If we are a trust, at the time the <sup>+</sup>securities are admitted to trading status and at all times thereafter, no person will have the right to return any of the <sup>+</sup>securities under section 1019B of the Corporations Act.
  - All of the documents and information we have given, or will give, to ASX in connection with the admission of the <sup>+</sup>securities to trading status are, or will be, accurate, complete and not misleading.
  - There is no other reason why the <sup>+</sup>securities should not be admitted to trading status.
- 3      We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4      We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before the admission of the <sup>+</sup>securities to trading status. We acknowledge that ASX will be relying on the information and documents.

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<sup>+</sup> See chapter 19 for defined terms.



Sign here:

  
.....  
(Director/Company secretary)

Date: 15/10/18.....

Print name:

Michael McConny  
.....

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# Supplemental Deed

iShares MSCI Taiwan ETF

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BlackRock Investment Management (Australia) Limited  
(**Manager**) ABN 13 006 165 975

# Supplemental Deed

## iShares MSCI Taiwan ETF

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<b>Details</b>	<b>3</b>
<b>Agreed terms</b>	<b>4</b>
1. Defined terms & interpretation	4
2. Amendment of Constitution	4
3. Operation of the deed	4
4. No redeclaration etc	4
5. Remaining provisions unaffected	4
6. Governing Law	4
<b>Signing page</b>	<b>5</b>
<b>Annexure A</b>	<b>6</b>

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# Details

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## Date

28 March 2018

## Parties

Name	<b>BlackRock Investment Management (Australia) Limited</b>
ABN	13 006 165 975
Short form name	<b>Manager</b>
Notice details	Level 26, 101 Collins Street, Melbourne VIC 3000

## Background

- A The iShares MSCI Taiwan ETF (**Fund**) was established under a deed dated on or about 19 March 2018, as amended from time to time (**Constitution**).
- B The Manager has applied to the Australian Securities and Investments Commission (**ASIC**) for the Fund to be registered as a managed investment scheme under the *Corporations Act 2001* (Cth) (**Corporations Act**) but it has not yet been so registered.
- C Clause 23.1 of the Constitution provides that the Manager may by deed amend the Constitution, subject to the Corporations Act.
- D As the Fund is not yet a registered scheme, the Corporations Act does not yet apply and no further approval is required.
- E The Manager wishes to make the amendments contained in this Supplemental Deed to comply with requests of ASIC in connection with the application to register the Fund as a managed investment scheme.
- F The amendments to the Constitution contained in this Supplemental Deed will take effect on the date of this Supplemental Deed.

# Agreed terms

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## 1. Defined terms & interpretation

### 1.1 Definitions

In this Supplemental Deed, unless a contrary intention is expressed or implied, words and expressions defined in the Constitution have the same meanings when used in this Supplemental Deed.

### 1.2 Interpretation

Clause 26.2 of the Constitution applies to this Supplemental Deed as though that clause were set out in full.

## 2. Amendment of Constitution

By this Supplemental Deed, the Manager amends the Constitution:

- (a) by deleting the text which is struck out; and
- (b) inserting the text which is underlined,  
in the manner and form set out in Annexure A.

## 3. Operation of the deed

This Supplemental Deed takes effect on the date of this Supplemental Deed.

## 4. No redeclaration etc

The Manager confirms that it is not, by clause 2 of this Supplemental Deed:

- (a) redeclaring the Fund;
- (b) resettling the Fund;
- (c) causing the transfer, vesting or accruing of property in any person; or
- (d) entering into a new trust deed.

## 5. Remaining provisions unaffected

Other than the amendments made in this Supplemental Deed, the Constitution continues in full force and effect. With effect from the date provided under clause 3 of this Supplemental Deed, the Constitution as amended by this Supplemental Deed is to be read as a single integrated document incorporating the amendments effected by this Supplemental Deed.

## 6. Governing Law

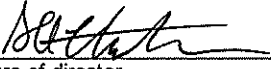
This Supplemental Deed is governed by and will be construed according to the laws of the State of Victoria, Australia.

# Signing page

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EXECUTED as a deed poll.

Executed by **BlackRock Investment Management (Australia) Limited**  
(ABN 13 006 165 975) in accordance with  
section 127(1) of the Corporations Act  
2001 (Cth) by:

  
\_\_\_\_\_  
Signature of director

SHAVE FLATMAN  
\_\_\_\_\_  
Name of director (print)

  
\_\_\_\_\_  
Signature of Director / Company Secretary

ALISON TELFER  
\_\_\_\_\_  
Name of Director / Company Secretary (print)

# Annexure A

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Dated: ~~[DATE]~~ 28 March 2018

iShares MSCI Taiwan ETF  
ARSN ~~[INSERT]~~ 625 115 228

BLACKROCK INVESTMENT MANAGEMENT (AUSTRALIA) LIMITED  
(ABN 13 006 165 975)  
("the Manager")



# Contents

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<b>1</b>	<b>Name of Fund</b>	<b>1</b>
<b>2</b>	<b>Assets held on trust</b>	<b>1</b>
<b>3</b>	<b>Units and Classes of Units</b>	<b>1</b>
<b>4</b>	<b>Application Price for Units</b>	<b>5</b>
<b>5</b>	<b>Application procedure</b>	<b>7</b>
<b>6</b>	<b>Redemption Price of Units</b>	<b>13</b>
<b>7</b>	<b>Redemption procedures</b>	<b>15</b>
<b>8</b>	<b>Valuation of assets</b>	<b>25</b>
<b>9</b>	<b>Income and distributions to Members</b>	<b>26</b>
<b>10</b>	<b>Payments</b>	<b>30</b>
<b>11</b>	<b>Powers of the Manager</b>	<b>33</b>
<b>12</b>	<b>AMIT Rules</b>	<b>35</b>
<b>13</b>	<b>Retirement of Manager</b>	<b>37</b>
<b>14</b>	<b>Notices to Members</b>	<b>37</b>
<b>15</b>	<b>Notices to the Manager</b>	<b>38</b>
<b>16</b>	<b>Meetings of Members</b>	<b>38</b>
<b>17</b>	<b>Rights and liabilities of Manager</b>	<b>40</b>
<b>18</b>	<b>Limitation of liability and indemnity in favour of Manager</b>	<b>41</b>
<b>19</b>	<b>Liability of and restrictions on Members</b>	<b>42</b>
<b>20</b>	<b>Remuneration and expenses of Manager</b>	<b>43</b>
<b>21</b>	<b>Duration of the Fund</b>	<b>47</b>
<b>22</b>	<b>Procedure on termination</b>	<b>48</b>
<b>23</b>	<b>Amendments to this constitution</b>	<b>50</b>
<b>24</b>	<b>Compliance committee</b>	<b>51</b>
<b>25</b>	<b>Complaints</b>	<b>51</b>
<b>26</b>	<b>Interpretation</b>	<b>51</b>

<b>27</b>	<b>Accounting Standards</b>	<b>61</b>
<b>28</b>	<b>ASX Operating Rules</b>	<b>62</b>
<b>29</b>	<b>Currency conversion</b>	<b>62</b>

# Constitution of the iShares MSCI Taiwan ETF

## Operative provisions:

This deed poll is declared by BlackRock Investment Management (Australia) Limited to be the constitution of the iShares MSCI Taiwan ETF.

## 1 Name of Fund

- 1.1 The Fund is called the iShares MSCI Taiwan ETF or by such other name as the Manager determines from time to time<sup>1</sup>.
- 1.2 If a Manager retires or is removed its successor as Manager must, unless otherwise approved by the former Manager, change the name of the Fund to a name that does not imply an association with the former Manager or its business.

## 2 Assets held on trust

- 2.1 The Manager must hold the Assets on trust for Members<sup>2</sup>.
- 2.2 The Assets vest in the Manager, but must be clearly identified as property of the Fund and held separately from the assets of the Manager and any other managed investment scheme if and to the extent that the Corporations Act so requires<sup>3</sup>.

## 3 Units and Classes of Units

### Nature of Units

- 3.1 The beneficial interest in the Fund is divided into Units.
- 3.2 Subject to clause 3.5 and to any rights, obligations and restrictions attaching to any particular Units or Class of Units, each Unit other than a Fractional Unit confers an equal undivided interest and a Fractional Unit confers a proportion of that equal interest.
- 3.3 Subject to the terms of this constitution, in terms of ranking all Units rank equally.
- 3.4 A Unit confers an interest in the Assets as a whole, or the Assets of a particular Class of Units, subject to the Liabilities. It does not confer an interest in a particular Asset. The Manager may attach any terms and conditions to the issue of Units and entitlements to the Units themselves so long as the terms and conditions and entitlements are consistent with this constitution and the Corporations Act.

<sup>1</sup> See Corporations Regulation 5C.1.02.

<sup>2</sup> See section 601FC(2) of the Corporations Act.

<sup>3</sup> See section 601FC(1)(i) of the Corporations Act.

- 3.5 Where Units are taken to be issued under clause 5.8 and the issue has not yet been recorded in the Register, the person to whom the Units are taken to have been issued has an interest of the kind referred to in clause 3.2 based on the net amount of application money that person has contributed to acquire the Units, divided by the relevant Application Price, whether or not the Application Price has been ascertained at that time.

### **Fractions of Units**

- 3.6 Except as provided for in clause 3.9, fractions of a Unit may be issued as determined by the Manager.
- 3.7 Where any calculation performed under this constitution or the terms of a withdrawal offer results in the issue or redemption of a fraction of one Unit, that fraction may be rounded up or down to such number of decimal places as the Manager determines. Provisions of this constitution relating to Units apply to the fraction of Units in the proportion to which the fraction bears to one Unit.
- 3.8 Any excess application or other money or property which results from rounding or any other calculation performed under this constitution becomes an Asset of the Fund.
- 3.9 In respect of an ETF Class, fractions of Units may not be issued or redeemed while the Units are Quoted. If any fractions of Units are on issue at a time when such Units are Quoted, the Manager may cancel any fractions of such Units with effect from the date of Quotation.

### **Consolidation and division of Units**

- 3.10 Units may be consolidated or divided as determined by the Manager.

### **Class of Units**

- 3.11 The Manager may create and issue Classes of Units with such rights, obligations and restrictions attaching to the Units of such classes as it determines in accordance with the Corporations Act (if relevant), including but not limited to fees and expenses that are referable to a Class of Units that is different to fees and expenses that is referable to another Class of Units. Where required by the Corporations Act and subject to the Corporations Act, where different Classes of Units are issued, the Manager shall incorporate any or all of the rights, obligations and restrictions in this constitution to the extent that such rights, obligations and restrictions are required by the Corporations Act to be contained in this constitution.
- 3.12 The Manager may change the name of a Class in the Fund.
- 3.13 Each Class is a separate class of Units for the purposes of the Corporations Act, but does not constitute a separate trust.
- 3.14 The Manager in making any determination of variables properly referable to a Class under this constitution must ensure that:

- (a) any variable which relates only to a particular Class and does not relate to other Classes, is solely referable to the Class to which it relates; and
- (b) subject to clauses 9 and 12, any variable that relates to more than one Class is to be apportioned between the relevant Classes in accordance with this constitution.

### **ETF Class Units**

- 3.15 Pursuant to clause 3.11, the Manager may determine to establish a separate Class or Classes of Units in the Register to be ETF Class Units with the rights, obligations and restrictions attaching to such Units as determined by the Manager in accordance with this constitution.

### **Conversion of Units**

- 3.16 At the request of a Member, the Manager may convert Units of one Class into Units of another Class on such terms as it determines by redeeming or making a withdrawal offer in relation to Units in the first Class and issuing Units in the second Class. In these circumstances, the Member will be taken to have lodged a redemption request in relation to the Member's Units in the first Class and an application for Units in the second Class (including application moneys) on the date the Manager receives the conversion request.

### **Transfer of Units**

- 3.17 Subject to this constitution, Members may transfer Units.
- 3.18 Transfers must be in a form approved by the Manager and be presented for Registration duly stamped if necessary.
- 3.19 A transfer is not effective until Registered.
- 3.20 The Manager may refuse to record any transfer in the Register without giving any reason for the refusal.

### **Transfer if Quoted**

- 3.21 Subject to this constitution and the ASX Operating Rules, if a Unit is Quoted, it is transferable:
- (a) as provided by the Operating Rules of a CS Facility if applicable; or
  - (b) by any other method of transfer which is required or permitted by the Corporations Act and the ASX.
- 3.22 If a duly completed instrument of transfer:
- (a) is used to transfer a Unit in accordance with clause 3.21(b); and
  - (b) is left for Registration at the Fund's registry, duly stamped if required and accompanied by any information that the Manager properly requires to show the right of the transferor to make the transfer,

the Manager must, subject to the Manager's powers, register the transferee as the holder of the Units. Except as provided by any applicable Operating Rules of a CS Facility, a transfer is not effective until the transferee's name is entered into the Register as the holder of the Units.

**Manager may request holding lock or refuse to register transfer**

3.23 In respect of Units which are Quoted, and if permitted to do so by the ASX Operating Rules, the Manager may:

- (a) request the CS Facility Operator or any other person appointed to maintain the Register, as the case may be, to apply a holding lock to prevent a transfer of such Units from being registered on the CS Facility's sub register or registered on an issuer-sponsored sub register, as the case may be; or
- (b) refuse to register a transfer of such Units to which paragraph (a) does not apply.

**Manager must request holding lock or refuse to register transfer**

3.24 In respect of Units which are Quoted, the Manager must:

- (a) request the CS Facility Operator or any other person appointed to maintain the Register, as the case may be, to apply a holding lock to prevent a transfer of such Units from being registered on the CS Facility's sub register or registered on an issuer sponsored sub register, as the case may be; or
- (b) refuse to register any transfer of Units to which paragraph (a) does not apply,

if the Corporations Act or ASX Operating Rules requires the Manager to do so.

**Notice of holding locks and refusal to register transfer**

3.25 If, in the exercise of its rights under clauses 3.23 and 3.24, the Responsible Manager requests the application of a holding lock to prevent a transfer of Units or refuses to register a transfer of Units, it must, within two months after the date on which the transfer was lodged with it, give written notice of the request or refusal to:

- (a) the holder of the Units;
- (b) the purported transferee; and
- (c) the broker lodging the transfer, if any.

3.26 Failure to give notice does not, however, invalidate the decision of the Manager.

**Joint tenancy**

- 3.27 Persons Registered jointly as the holder of a Unit hold as joint tenants and not as tenants in common unless the Manager otherwise agrees.

**Death or legal disability of Member**

- 3.28 If a Member dies or becomes subject to a legal disability such as bankruptcy or insanity, only the survivor (where the deceased was a joint holder) or the legal personal representative (in any other case) will be recognised as having any claim to Units Registered in the Member's name.

**No certificates**

- 3.29 No certificates will be issued in respect of Units in the Fund.

**Re-classification**

- 3.30 Subject to the Corporations Act, the Manager may re-classify Units of one Class held by the Member as Units of another Class. For the avoidance of doubt, subject to the Corporations Act the Manager may re-classify the Units of one Class without re-classifying the Units of all Classes and the Manager may re-classify one or more Units in a Class without re-classifying all the Units in the Class.
- 3.31 Units will be taken to have been re-classified under clause 3.30 when the re-classification is recorded in the Register.

## 4 Application Price for Units<sup>4</sup>

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- 4.1 Subject to clauses 4.2 and 21.1 and any adjustments made under clause 4.8, a Unit must only be issued at an Application Price calculated as:

$$\frac{\text{Net Asset Value} + \text{Transaction Costs}}{\text{number of Units on issue,}}$$

or such other price as the Manager determines in its discretion in accordance with the terms of the Corporations Act as modified by ASIC Relief instrument CO 13/655 or any other applicable Relief as amended or replaced from time to time.

- 4.2 Subject to clauses 4.1 and 21.1 and any adjustments made under clause 4.8, where there are different Classes of Units on issue the Application Price for a Unit in a particular Class will be calculated as:

$$\frac{\text{Net Asset Value attributable to that Class} + \text{Transaction Costs}}{\text{number of Units on issue in that Class,}}$$

or such other price as the Manager determines in its discretion in accordance with the terms of the Corporations Act as modified by ASIC Relief instrument

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<sup>4</sup> See section 601GA(1)(a) of the Corporations Act.

CO 13/655 or any other applicable Relief as amended or replaced from time to time.

### **Timing of determination**

- 4.3 Except as provided by clauses 4.4 and 5.22, each of the variables in clause 4.1 and clause 4.2 must be determined as at the next Valuation Time:
- (a) on the Business Day of receipt of the valid application, where the application is received before the time prescribed by the Manager in respect of applications of the relevant type on such Business Day; or
  - (b) on the next Business Day after the receipt of the valid application, where the application is received on a day which is not a Business Day or received at or after the time prescribed by the Manager in respect of applications of the relevant type on a Business Day.

### **Alternative timing of determination**

- 4.4 If the Manager considers that the timing of the determination in clause 4.3 would materially disadvantage the Members in the Fund or a Class of Members in the Fund, each of the variables in clause 4.1 and clause 4.2 must be determined as at the next Valuation Time after the relevant time referred to in clause 4.3 or as at such other time as the Manager determines.
- 4.5 If the Manager considers it desirable for the protection of the Fund or in the interests of Members or a class of Members of the Fund, it may postpone the determination of an Application Price. If this occurs, each of the variables in clause 4.1 and clause 4.2 must be determined as at the first Valuation Time the Manager determines is appropriate taking into account the event giving rise to the postponement.

### **Rounding**

- 4.6 The Application Price may be rounded as the Manager determines. The amount of the rounding adjustment must not be more than 1% of the Application Price.
- 4.7 Notwithstanding clauses 4.1 and 4.2 and except as provided in this constitution, the Manager may determine that the opening Application Price at a Valuation Time for a new Class of Units which are to be issued immediately after the Valuation Time under valid applications received before the preceding Valuation Time, is the highest Application Price for a Unit in a Class of Units on issue at the Valuation Time.

### **Adjustment of Application Price**

- 4.8 The Manager may increase or decrease the Application Price of a Unit of a Class to reflect the Assets and Liabilities (including without limitation, fees and expenses) determined by the Manager to be attributable to that Class to take account of the charging or waiving of fees by the Manager on a differential basis as between that Class and any other Class on issue in accordance with the Corporations Act as modified by ASIC Relief instruments CO 13/655 and CO



03/217 or any other applicable Relief as amended or replaced from time to time and the Manager may take into account any matters it considers relevant including:

- (a) fees and expenses referable to Assets attributable to that Class (whether paid or accrued); and
- (b) the extent to which changes in the value of Assets and Liabilities (whether incurred or satisfied) are properly attributable to that Class.

### **Reorganisation**

4.9 Notwithstanding any provision contained in this clause 4 and clause 5, the Manager may issue a Unit to an applicant where the Application Price and the Application Amount in respect of the issue of such Unit:

- (a) is in the form of a CDI; and
- (b) is transferred to the Fund by, or on behalf of, such applicant.

In this clause 4.9, **CDI** means a CHESS Depository Interest issued under the ASX Settlement Operating Rules in relation to the series of shares issued by iShares Inc referable to iShares MSCI Taiwan ETF.

## **5 Application procedure**

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### **Application form**

5.1 An applicant for Units must complete a form approved by the Manager if the Manager so requires. The form may be transmitted electronically if approved by the Manager.

### **Payment**

5.2 Except as provided by clause 5.3 and except as provided in this constitution in respect of ETF Class Units, Application Amounts in a form acceptable to the Manager (and in the case of a transfer of property, of a kind acceptable to the Manager and able to be vested in the Manager or a custodian appointed by it (accompanied by a recent valuation of the property, if the Manager requires)), must:

- (a) accompany the application;
- (b) be received by or made available to the Manager or the custodian within such period before or after the Manager receives the application form as the Manager determines from time to time; or
- (c) comprise a reinvestment of distribution in accordance with clauses 9.17 to 9.20.

If the Manager accepts a transfer of property other than cash, any costs associated with the valuation or transfer of the property are payable or reimbursable out of the Assets, or if required by the Manager, by the applicant.

- 5.3 The Responsible Entity may issue Units on the basis of a binding obligation on the applicant for the Units to pay or deliver (as applicable) the relevant Application Amounts in accordance with this constitution.

**Manager may reject**

- 5.4 The Manager may reject an application in whole or in part without giving any reason for the rejection.
- 5.5 Without limiting clause 5.4, the Manager may determine in its discretion that applications are not to be accepted at specified times or during specified periods and any application made during such specified times or periods shall be deemed to have been received by the Manager on the first Business Day after such time or period or such other period determined by the Manager.

**Less than whole Units**

- 5.6 Where an application, cancellation or withdrawal would result in the issue of less than a whole Unit to a Member, the Manager in its absolute discretion may:
- (a) issue a Fractional Unit;
  - (b) contribute its own funds to round up the number of Units issued to a whole number;
  - (c) round the Unit as the Manager determines; or
  - (d) hold the residual amount free of interest and apply it to the next application, cancellation or withdrawal made by the Member or pay the amount to the Member when moneys are next paid by the Manager under this constitution.

**Minimum amounts**

- 5.7 Subject to the Corporations Act, the Manager may set a minimum application amount and a minimum holding for the Fund or in respect of particular Classes of Units or circumstances and alter those amounts at any time or determine that a different minimum application amount or a different minimum holding will apply for one or more applicants or members (as the case may be).

**Issue date**

- 5.8 Except in the case of a reinvestment of distributions in accordance with this constitution, Units are taken to be issued at the time which is the earlier of:
- (a) the time the issue of Units is recorded in the Register; and

- (b) provided the relevant Valuation Time for the calculation of the Application Price for the application for Units has occurred, the later of the time when:
  - (i) the Manager Accepts the application for Units; and
  - (ii) the Manager receives the application money (even if paid or to be paid into the Applications Account) or the property against which Units are to be issued is vested in the Manager.

5.9 Units which are issued on a reinvestment of distribution in accordance with this constitution are taken to be issued on the first Business Day after the end of the Distribution Period to which the distribution relates.

5.10 At the time when Units are taken to be issued under clause 5.8 or 5.9:

- (a) the applicant becomes a Member in respect of the Units, which are taken to be issued<sup>5</sup> even though the number of Units may not yet have been ascertained and the issue has not yet been entered into the Register; and
- (b) the applicant becomes entitled to be recorded in the Register as the holder of those Units as soon as it is reasonably practicable for the Manager or its agent to make the entry.

### **Uncleared funds**

5.11 Units issued against application money paid other than in cleared funds, or in consideration of a transfer of property, are void if the funds are not subsequently cleared or the property does not vest in the Manager within 1 month of receipt of the application, or such other period as the Manager determines.

### **Defective Applications**

5.12 Where, within 10 Business Days (or such longer period as the Manager determines) of the creation and issue of Units in the Fund, the Manager determines that:

- (a) the applicant was not entitled to hold the Units issued;
- (b) the application was incorrectly executed or executed without power or authority; or
- (c) the application form was defective and was accepted in error; or
- (d) it is in the best interests of the Fund as a whole,

then the Manager may in its sole discretion cancel those Units, make an appropriate entry in the Register of the Fund and repay the application money to

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<sup>5</sup> For the purposes of section 761E(2) of the Corporations Act.

the applicant out of the Fund. If Units are cancelled under this clause, the Manager is not required to adjust any Application Price or Redemption Price determined before the cancellation of the Units in the Fund.

#### **Applications for ETF Class Units**

- 5.13 Except in the case of reinvestment of distributions in accordance with clauses 9.17 to 9.20, a person may only apply for Units of an ETF Class if:

- (a) the person is an Authorised Participant; and
- (b) the application is made in respect of a whole multiple of the Creation Unit Amount,

unless the Manager determines otherwise.

- 5.14 Except in the case of reinvestment of distributions in accordance with clauses 9.17 to 9.20, a person applying for Units of an ETF Class must pay the Application Amount in accordance with clauses 5.15, 5.16, 5.17 or 5.21, unless the Manager determines otherwise.

- 5.15 A person applying for Units of an ETF Class may pay the Application Amount by paying to the Manager, or any person nominated by the Manager, an amount of cash in accordance with the following formula:

$$AP \times N,$$

where:

AP is the Application Price of the Units which are the subject of the application; and

N is the number of Units which are the subject of the application.

- 5.16 A person applying for Units of an ETF Class may pay the Application Amount by:

- (a) transferring to the Manager, or any person nominated by the Manager, a multiple of the Application Securities equal to the multiple of the Creation Unit Amount of Units for which the person is applying; and
- (b) where the Purchase Cash Component is positive, paying to the Manager, or any person nominated by the Manager, an amount of cash equal to the Purchase Cash Component.

- 5.17 Where determined by the Manager in respect of an application for Units, a person applying for Units of an ETF Class may pay the Application Amount by:

- (a) transferring to the Manager, or any person nominated by the Manager, Alternative Application Securities as agreed with the Manager; and

- (b) where the Purchase Cash Component is positive, paying to the Manager, or any person nominated by the Manager, an amount of cash equal to the Purchase Cash Component.

5.18 A person applying for Units of an ETF Class agrees to indemnify the Manager against any cost, charge, expense, liability or loss arising for either or both of the Manager and the Fund as a result of the applicant paying, or failing to pay, the Application Amount in accordance with this constitution. This includes, but is not limited to, any costs, charges, expenses, liabilities or losses arising for either or both of the Manager and the Fund as a result of:

- (a) the Manager having to purchase any securities which are included in the Application Securities or the Alternative Application Securities but which were not provided by the applicant or the applicant providing insufficient amounts to the Manager in respect of the application;
- (b) the Manager having to sell any securities which were provided by the applicant, but which are not included in the Application Securities or the Alternative Application Securities or which are included in the Application Securities or the Alternative Application Securities but provided by the applicant in excessive amounts;
- (c) any difference in the value of the securities provided by the applicant and the value of the multiple of the Application Securities under paragraph 5.16(a);
- (d) any fees or expenses charged to the Fund or the Manager in respect of processing the transfer of Application Securities or Alternative Application Securities; and/or
- (e) the Authorised Participant failing to provide Collateral in accordance with clauses 7.44 to 7.48.

The Manager may claim amounts owing to either or both of the Manager and the Fund under this indemnity prior to the Manager actually incurring the relevant costs, charges, expenses, liability or loss.

5.19 Where clauses 5.16, 5.17 or 5.21 applies, if the Purchase Cash Component is negative, then the Manager must pay the applicant the Purchase Cash Component. The Manager is required to make this payment within five Business Days of the issue of Units to which the Purchase Cash Component relates.

5.20 The Manager may make guidelines relating to the procedures for the application of Units of an ETF Class. This may include (but are not limited to): (i) requiring a Member to appoint a nominee of the Member to hold the Units until settlement of such Units has been completed with such nominee being required to follow certain directions of the Manager; and/or (ii) requiring a Member to pay transactional and other costs that are payable to third parties in connection with an application for Units. If the Manager has made such guidelines, a person who

seeks to apply for Units of the ETF Class is bound by those guidelines and is required to comply with any obligations arising under those guidelines.

- 5.21 Where a person applying for Units of an ETF Class is restricted or prohibited from transferring one or more of the securities that make up the relevant Application Securities or Alternative Application Securities the Manager may determine that the Application Securities or Alternative Application Securities in respect of that application shall exclude such securities for the purposes of this constitution (and, for the avoidance of doubt, the Purchase Cash Component for such application shall be adjusted accordingly in accordance with this constitution).
- 5.22 The Manager may determine a different Valuation Time for the determination of each of the variables in clauses 4.1 and 4.2 in respect of the type of applications for Units referred to in clauses 5.15, 5.16, 5.17 and 5.21.

**Provision of Collateral for Application Securities or Alternative Application Securities and/or positive Purchase Cash Component**

- 5.23 The Manager may issue ETF Class Units, despite not having received some or all of the Application Securities or Alternative Application Securities and/or any positive Purchase Cash Component in respect of those Units (**Shortfall Application Securities/Purchase Cash Component**), if the Authorised Participant provides Collateral to the Manager.
- 5.24 The Manager shall determine at the time of issue or at any later time the amount of the Collateral and the time at which it is payable. The Manager may serve a notice on the Authorised Participant requiring the provision of the Collateral and any interest calculated from the due date until payment at a fair market rate as determined by the Manager. The notice must specify a time and day (**Specified Time**) on or by which the payment is to be made.
- 5.25 The Manager must give an Authorised Participant notice of the time and date of any drawdown on Collateral.
- 5.26 The Manager must return the Collateral as soon as reasonably practicable to the relevant Authorised Participant upon transfer/payment of the Shortfall Application Securities/Purchase Cash Component.
- 5.27 The Manager may set out additional procedures governing Collateral in an authorised participant agreement.

**Application cost**

- 5.28 On an application for ETF Class Units, in addition to the Application Price, there shall be payable to the Fund in connection with the costs of the application for ETF Class Units such application or similar cost (if any) not exceeding \$50,000, as the Manager determines. Such application cost will be payable for the benefit of the Fund. The Manager may deduct such amount from application monies.

### **Additional amounts may be payable in relation to an application for Units**

5.29 In circumstances where a person applying for Units has paid the Application Amount pursuant to clause 5.15 or 5.17 (only in respect of Application Securities that have not been transferred by the relevant applicant pursuant to clause 5.17) (**Relevant Applicant**) and where in calculating the Application Price for the relevant application the values as at the relevant Valuation Time attributed to securities that constitute the Application Securities are different to the actual cost incurred by the Fund when acquiring such securities in connection with the investment of the relevant Application Amount:

- (a) if the cost incurred for such securities exceeds the value attributed as at the relevant Valuation Time to the securities, the Manager may determine that an additional amount equal to the difference by way of a transaction cost shall be payable by the Relevant Applicant to the Fund; or
- (b) if the cost incurred for such securities is less than the value attributed as the relevant Valuation Time to the securities, the Manager may determine that an additional amount equal to the difference by way of a transaction reimbursement shall be payable by the Fund to the Relevant Applicant.

In determining the cost incurred for securities for the purposes of this clause, the actual brokerage incurred (including applicable GST after taking into account any expected reduced input tax credits) shall be included.

## **6 Redemption Price of Units<sup>6</sup>**

### **Redemption Price**

6.1 Subject to clause 6.2 and any adjustments made under clause 6.7, a Unit must only be redeemed at a Redemption Price calculated as:

$$\frac{\text{Net Asset Value} - \text{Transaction Costs}}{\text{number of Units on issue}}$$

6.2 Subject to clause 6.1, and any adjustments made under clause 6.7, where there are different Classes of Units on issue the Redemption Price for a Unit in a particular Class will be calculated as:

$$\frac{\text{Net Asset Value attributable to that Class} - \text{Transaction Costs}}{\text{number of Units on issue in that Class}}$$

6.3 Each of the variables in clause 6.1 and clause 6.2 must be determined:

<sup>6</sup> See section 601GA(4) of the Corporations Act - required to be included if the Manager wishes to offer Members a right to withdraw from the scheme.

- (a) while the Fund is Liquid, as at the next Valuation Time after the Manager has received and Accepted the redemption request; or
- (b) while the Fund is not Liquid, at the last Valuation Time before the withdrawal offer is made.

#### **Alternative timing of determination**

- 6.4 If the Manager considers that the timing of the determination under clause 6.3 would materially disadvantage Members of a Class or Members of the Fund, each of the variables in clause 6.1 and clause 6.2 must be determined:
- (a) in the case of clause 6.3(a) as at the next Valuation Time following this Valuation Time or as such other time as the Manager determines; and
  - (b) in the case of clause 6.3(b) as at such other time as the Manager determines.

#### **Postponement of determination**

- 6.5 If the Manager considers it desirable for the protection of the Fund or in the interests of Members or a class of Members of the Fund, it may postpone the determination of a Redemption Price. If this occurs, each of the variables in clauses 6.1 or 6.2 must be determined as at the first Valuation Time the Manager determines is appropriate in the interest of members taking into account the event giving rise to the postponement or at such other time as the Manager determines.

#### **Rounding**

- 6.6 The Redemption Price may be rounded as the Manager determines. The amount of the rounding adjustment must not be more than 1% of the Redemption Price.

#### **Adjustment of Redemption Price**

- 6.7 The Manager may increase or decrease the Redemption Price of a Unit of a Class to reflect the Assets and Liabilities (including without limitation, fees and expenses) determined by the Manager to be attributable to that Class to take account of the charging or waiving of fees by the Manager on a differential basis as between that Class and any other Class on issue in accordance with the Corporations Act as modified by ASIC Relief instruments CO 13/655 and CO 03/217 or any other applicable Relief as amended or replaced from time to time and the Manager may take into account any matters it considers relevant including:
- (a) fees and expenses referable to Assets attributable to that Class (whether paid or accrued); and
  - (b) the extent to which changes in the value of Assets and Liabilities (whether incurred or satisfied) are properly attributable to that Class.



## 7 Redemption procedures<sup>7</sup>

### Request for redemption

- 7.1 A Member or a Mortgagee may request the redemption of some or all of the Units in respect of which they are Registered as the holder or have been issued by giving the Manager notice in writing of the request, specifying the number of Units to be redeemed and sufficient details to identify the Member and, while the Fund is Liquid, the Manager must, subject to clause 7.29, give effect to that request at the time and in the manner set out in this clause 7. Notwithstanding the foregoing, the Manager is not obliged to inquire into whether the Mortgagee is entitled to make the request.
- 7.2 A Member may not withdraw a redemption request unless the Manager agrees.
- 7.3 Without limiting clause 7, the Manager may determine in its discretion that redemptions of Units are not to occur at specified times or during specified periods and any redemption request given during such specified times or periods shall be deemed to have been received by the Manager on the first Business Day after such time or period.
- 7.4 In the case of Units in an ETF Class, this clause 7 is subject to clauses 7.31 to 7.48 which clauses shall prevail in the event of any inconsistency.

### Deemed withdrawal of request

- 7.5 If, after a Member has made a redemption request, the Fund ceases to be Liquid, the redemption request is deemed to be withdrawn unless the Fund becomes Liquid again within 5 Business Days.

### When Fund is Liquid<sup>8</sup>

- 7.6 Clauses 7.7 to 7.17 apply while the Fund is Liquid<sup>9</sup> and also in circumstances where the redemption request was received and Accepted by the Manager at a time when the Fund was Liquid (even if it is no longer Liquid at the time the Manager exercises its powers and discretions under those clauses), provided the Fund is Liquid at the Valuation Time for the calculation of the relevant Redemption Price.
- 7.7 Subject to clauses ~~7.8~~, 7.9, 7.10 and ~~22.522.4~~ the Manager must satisfy a redemption request in respect of a Unit by payment and/or transfer (as applicable) from the Assets of the Redemption Price calculated in accordance with clause 6. The payment and/or transfer (as applicable) must be made within 21 days of the redemption of the relevant Units, or such longer period as allowed by clause ~~7.8 or~~ 7.9.

<sup>7</sup> These procedures must be fair to all Members - see section 601GA(4) of the Corporations Act.

<sup>8</sup> See sections 601GA(4) and 601KA(4), (5) and (6) of the Corporations Act.

<sup>9</sup> For definition of a liquid scheme see section 601KA(4) of the Corporations Act.

- 7.8 ~~The Manager may extend the period within which it must satisfy a redemption request by up to 45 days if it considers that it is in the interests of Members as a whole or Members of a relevant Class to do so.~~[Intentionally omitted]
- 7.9 If the Manager has taken all reasonable steps to realise sufficient Assets to satisfy a redemption request and is unable to do so due to one or more circumstances outside its control which were not reasonably foreseeable by the Manager at the time it accepted the redemption request and while the circumstances still exist, the Manager may extend the period within which it must satisfy a redemption request by the number of days during which such circumstances apply. Circumstances outside of the Manager's control include:
- (a) the closure of a securities exchange;
  - (b) restricted or suspended trading or quotation in the market for an Asset or for Units (if applicable);
  - (c) the imposition of currency controls on repatriations of capital from a country;
  - (d) an emergency or other state of affairs;
  - (e) the declaration of a moratorium in a country where the Fund has investments;
  - (f) the realisation of investments not being able to be effected at prices which would be realised if investments were realised in an orderly fashion over a reasonable period in a stable market; or
  - (g) the suspension or deferral of withdrawals in any underlying managed investment scheme or similar pooled investment vehicle in which the Fund invests.
- 7.10 The Manager at any time may suspend the Acceptance of redemption requests of Units in the Fund, if:
- (a) it is impracticable for the Manager, its nominee or any service provider appointed by the Manager to calculate the Net Asset Value, for example because of:
    - (i) an inability to value Assets;
    - (ii) closure of, or trading restrictions or suspensions on any stock, commodities, futures or securities exchange or over-the-counter market on which any significant portion of the investments of the Fund is listed, quoted, traded or dealt; or

- (iii) an emergency or other state of affairs or a declaration of a moratorium in a country where the Fund invests (or the Fund has exposure to through any derivative in which the Fund invests);
  - (b) the Fund investments suspend, delay or restrict the redemption or payment of redemption proceeds (as applicable), or are unable to provide a withdrawal price;
  - (c) the Manager receives redemption requests of an aggregate value that in its reasonable estimate exceeds 5% (by value) of all Assets;
  - (d) there have been, or the Manager anticipates that there will be, redemption requests that involve realising a significant amount of the Assets and the Manager considers that if those redemption requests are all met immediately, Members who continue to hold Units may bear a disproportionate burden of capital gains tax or other expenses, or the meeting of those redemption requests would otherwise be to the existing Members' disadvantage including by way of a material diminution in the value of the Assets or departure from the investment strategy of the Fund;
  - (e) the Manager reasonably considers that it is in the interests of the Members; or
  - (f) it is otherwise legally permitted.
- 7.11 A redemption request lodged before or during any period when the redemption of Units is suspended, but where the redemption request has not been processed, as the case may be, is taken to be lodged the day after the end of the relevant suspension period.
- 7.12 Where on a Business Day a Member requests the redemption of a number of Units that total more than 1% of the Units in issue, the Manager may determine that such request is treated as five separate requests (each for a one-fifth portion of the total number of Units in the original request), received respectively by the Manager on each of the five successive Business Days commencing with the Business Day upon which the Manager received the original request.
- 7.13 The Manager need not Accept a redemption request in respect of Units having an aggregate Redemption Price of less than the minimum application amount or such other amount as determined by the Manager from time to time unless the redemption request relates to the balance of the Member's holding.
- 7.14 The Manager is not obliged to pay any part of the Redemption Price out of its own funds.
- 7.15 If Acceptance of a redemption request would result in the Member holding Units with an aggregate Redemption Price which is less than the then current

minimum holding amount, the Manager may treat the redemption request as relating to the balance of the Member's holding.

- 7.16 If the Manager increases the minimum holding amount, the Manager may after giving 30 days' notice to a Member who holds Units with an aggregate Redemption Price less than the then current minimum holding amount redeem that Member's holding without the need for a redemption request.
- 7.17 If a Member's holding is less than the minimum holding amount, the Manager, may (after giving 30 days' notice to the Member), redeem that Member's holding without the need for a redemption request.

### **Compulsory redemption**

- 7.18 The Manager may redeem all or a portion of the Units held by a Member if:
- (a) the Manager reasonably considers that the Units are held in breach of prohibitions contained in this constitution;
  - (b) the Manager reasonably considers that the Units are held in circumstances which might result in a violation of an applicable law or regulation or may subject the Fund to taxation or otherwise adversely affect the Fund or the Members as a whole in any material respect;
  - (c) the Member made a misrepresentation in acquiring their Units; or
  - (d) the Manager reasonably considers that the continued participation of the Member might cause the Fund, the Manager and/or any Member to violate any applicable law or regulation or may adversely affect the Fund or the Members as a whole in any material respect.

### **Discretionary redemption**

- 7.19 If the Manager is not obliged to Accept a redemption request, it may redeem some or all of the Units which are the subject of the request<sup>10</sup>.

### **When Fund is not Liquid<sup>11</sup>**

- 7.20 Clauses 7.21 to 7.22 apply except while the Fund is Liquid<sup>12</sup>.
- 7.21 A Member may withdraw from the Fund in accordance with the terms of any current withdrawal offer made by the Manager in accordance with the provisions of Part 5C.6 of the Corporations Act regulating offers of that kind<sup>13</sup>. If there is no withdrawal offer currently open for acceptance by Members, a Member has no right to withdraw from the Fund.
- 7.22 The Manager is not at any time obliged to make a withdrawal offer.

<sup>10</sup> Subject to section 601FC(1)(d) of the Corporations Act.

<sup>11</sup> See section 601GA(4)(c) of the Corporations Act - required if Members are to have right to withdraw.

<sup>12</sup> For definition of a liquid scheme see section 601KA(4) of the Corporations Act.

<sup>13</sup> See sections 601KB to 601KE of the Corporations Act.

### **Clauses applicable whether or not the Fund is Liquid**

7.23 Clauses 7.24 to 7.48 apply whether or not the Fund is Liquid.

### **Tax and Sums owed to Manager**

7.24 The Manager may deduct from the proceeds of redemption or money paid pursuant to a withdrawal offer any money or Taxation Amount due to it or the Fund by the Member.

### **Transfer of Assets**

7.25 In the case of Units in an ETF Class, this clause is subject to clauses 7.31 to 7.48 which clauses shall prevail in the event of any inconsistency. The Manager may transfer Assets to a Member rather than pay cash in satisfaction of all or part of a redemption request, pursuant to a withdrawal offer or in payment of a distribution. These Assets with any cash paid must be of equal value to the total amount due to the Member pursuant to the redemption request, withdrawal offer or distribution (based on a valuation done within one month before the date of the proposed transfer and which has been prepared in a manner consistent with clause 8 in order to ensure that the valuation is consistent with the range of ordinary commercial practice for valuing assets of that type and is reasonably current). If the Manager requires, the costs involved in transfer of these Assets must be paid by the Member or deducted from the amount due to the Member to the extent that the costs of transfer are not reflected in the withdrawal.

### **Redemption Fee**

7.26 The Redemption Fee (if any) payable to the Manager in respect of a redemption request and calculated in accordance with clause 20.1(b), is to be deducted from the proceeds of the withdrawal.

### **Redemption date**

7.27 Units are taken to be redeemed at the time at which both:

(a) the Redemption Price is calculated; and

(b) the redemption request is processed,

provided the Fund was and remains Liquid as at the time the redemption request is received and Accepted and as at the relevant Valuation Time for the calculation of the Redemption Price and provided the redemption is not processed until such time that the Redemption Price is calculated, and from that time until payment of the Redemption Price, the former holders of the redeemed Units cease to be Members in respect of those Units and are creditors of the Fund in respect of the withdrawal proceeds.

7.28 If Units are redeemed at the time referred to in clause 7.27(a), the Manager must as soon as is reasonably practicable arrange for the redemption of the Units to be recorded in the Register.

### **Denial of request for withdrawal**

- 7.29 The Manager may deny a request for withdrawal where:
- (a) the Fund has been terminated under clause 21;
  - (b) accepting the request would constitute a breach of this constitution, the compliance plan, the Corporations Act, or the relevant offer document;
  - (c) accepting the request would cause the Fund to cease to be Liquid; or
  - (d) accepting the request would unfairly prejudice another Member.

### **Cooling off**

- 7.30 Nothing in this clause 7 prevents the Manager from complying with any requirement to return application money to Members in accordance with Part 7.9 of the Corporations Act or with any similar requirement that applies to the Manager or the Fund.

### **Eligibility for redemption of ETF Class Units**

- 7.31 Except as provided in clause 7, a person may only submit a redemption request to the Manager in respect of Units of an ETF Class if:
- (a) the person is an Authorised Participant; and
  - (b) the redemption request is made in respect of a whole multiple of the Withdrawal Unit Amount,
- unless the Manager determines otherwise.
- 7.32 Subject to the Corporations Act, in the event that there is only one Authorised Participant and the Manager has determined that that Authorised Participant has become insolvent the Manager may in its absolute discretion, accept a redemption request for ETF Class Units from a person other than the Authorised Participant (**Non-AP Redemption Request**). Notwithstanding any other provision of this constitution:
- (a) the Manager may accept a Non-AP Redemption Request in respect of a number of Units which is less than the Withdrawal Unit Amount, or not equal to a multiple of the Withdrawal Unit Amount; and
  - (b) the amount to satisfy the redemption of Units pursuant to a Non-AP Redemption Request will be paid in cash and not, for the avoidance of doubt, by way of a transfer of the Withdrawal Securities and payment of the Withdrawal Cash Component under clauses 7.37 to 7.42.
- 7.33 Subject to the Corporations Act, in the event that a Member was formerly an Authorised Participant but subsequently ceased to be (and continues to no longer be) an Authorised Participant for whatever reason (**Ex-AP**), the Manager may in

its absolute discretion, accept a redemption request for ETF Class Units from the Ex-AP (**Ex-AP Redemption Request**) where:

- (a) the Ex-AP holds an amount in the Fund or a Class of Units in the Fund which is in total less than the Withdrawal Unit Amount; and
- (b) the Ex-AP Redemption Request is made in respect of the entire holding of the Ex-AP in the Fund or a Class of Units in the Fund.

7.34 In the case of a redemption of Units of an ETF Class under clauses 7.32 and 7.33 above:

- (a) a reference in clauses 7.37 to 7.41 below to "multiple" is to be read as a reference to "multiple or fraction"; and
- (b) where the amount payable to or by the Manager is calculated under clauses 7.37 to 7.42 to include a fraction of a security, the Manager may round such fraction up or down in its absolute discretion.

7.35 A Member may submit a redemption request to the Manager in respect of a redemption for Units of an ETF Class for payment pursuant to clause 7.38 if the Units are:

- (a) Quoted; and
- (b) suspended from Quotation for more than five consecutive trading days, except where:
  - (c) the Fund has been terminated;
  - (d) the Fund is not Liquid; or
  - (e) the Manager has suspended redemptions pursuant to clause 7.

Where a redemption is made:

- (f) pursuant to a redemption request under this clause 7.35; and
- (g) in respect of Units held by a Member who is not an Authorised Participant,

any Redemption Fee per Unit in connection with such redemption shall not be greater than the Redemption Fee calculated on a per Unit basis that would generally be payable by an Authorised Participant receiving redemption proceeds in cash when redeeming a minimum parcel of Units.

#### **Procedure for the redemption of ETF Class Units**

7.36 The Manager may make guidelines relating to the procedure for the redemption of Units of an ETF Class. This may include (but are not limited to): (i)

requiring the Member to transfer the Units which are to be redeemed to a person approved by the Manager to facilitate the redemption of Units; and/or (ii) requiring a Member to pay transactional and other costs that are payable to third parties in connection with a redemption for Units. If the Manager has made such guidelines, a person who seeks to redeem Units of the ETF Class is bound by those guidelines and is required to comply with any obligations arising under those guidelines.

### **Payment of the Redemption Price for the ETF Class Units**

7.37 For a redemption of Units of an ETF Class, the Manager may pay the amount due under the redemption by:

- (a) transferring to the Member a multiple of the Withdrawal Securities equal to the multiple of the Withdrawal Unit Amount of Units which the Member is redeeming; and
- (b) where the Withdrawal Cash Component is positive, paying to the Member an amount of cash equal to the Withdrawal Cash Component.

7.38 For a redemption of Units of an ETF Class, the Manager may pay the amount due under the redemption by paying an amount of cash in accordance with the following formula:

$$RP \times N,$$

where:

RP is the Redemption Price of the Units which are the subject of the redemption; and

N is the number of Units which are the subject of the redemption.

7.39 For a redemption of Units of an ETF Class, the Manager may pay the amount due under the redemption by:

- (a) transferring to the Member Alternative Withdrawal Securities as determined by the Manager; and
- (b) where the Withdrawal Cash Component is positive, paying to the Member an amount of cash equal to the Withdrawal Cash Component.

7.40 A Member who redeems Units of an ETF Class agrees to indemnify the Manager against any cost, charge, expense, liability or loss arising for either or both of the Manager and the Fund as a result of the payment of the amount due under the redemption otherwise than in accordance with clauses 7.37, 7.38 or 7.39. This includes, but is not limited to, any costs, charges, expenses, liabilities or losses arising for either or both of the Manager and the Fund as a result of:



- (a) the Manager having to purchase any securities to replace those which are provided to the Member where those securities would not have been transferred to the Member as part of the multiple of the Withdrawal Securities or Alternative Withdrawal Securities;
- (b) any difference in the value of the securities provided to the redeeming Member and the value of the multiple of the Withdrawal Securities or Alternative Withdrawal Securities;
- (c) any fees or expenses charged to the Fund or the Manager in respect of processing the transfer of Withdrawal Securities and Alternative Withdrawal Securities; or
- (d) the Authorised Participant failing to provide Collateral in accordance with clauses 7.44 to 7.48.

7.41 If the Withdrawal Cash Component is negative, then the Member must pay the Manager an amount equal to the Withdrawal Cash Component. The Member is required to make this payment within five Business Days of the redemption of Units to which the Withdrawal Cash Component relates.

7.42 Where a Member redeeming Units of an ETF Class is restricted or prohibited from receiving one or more of the securities that make up the relevant Withdrawal Securities and Alternative Withdrawal Securities the Manager may determine that the Withdrawal Securities and Alternative Withdrawal Securities in respect of that redemption shall exclude such securities for the purposes of this constitution (and, for the avoidance of doubt, the Withdrawal Cash Component for such redemption shall be adjusted accordingly in accordance with this constitution).

7.43 The Manager may determine a different Valuation Time for the determination of each of the variables in clauses 6.1 and 6.2 in respect of the type of redemptions for Units referred to in clauses 7.37, 7.38, 7.39 and 7.42.

#### **Provision of Collateral for ETF Class Units**

7.44 The Manager may transfer to the Member Withdrawal Securities, Alternative Withdrawal Securities and any positive Withdrawal Cash Component, in satisfaction of a redemption of Units of an ETF Class which are the subject of a redemption request, despite not having received or redeemed some or all of the ETF Class Units which are the subject of the redemption request (**Shortfall ETF Class Units**), if the Authorised Participant provides Collateral to the Manager.

7.45 The Manager shall determine at the time of redemption or at any later time the amount of the Collateral and the time at which it is payable. The Manager may serve a notice on the Authorised Participant requiring the provision of the Collateral and any interest calculated from the due date until payment at a fair

market rate as determined by the Manager. The notice must specify a time and day (**Specified Time**) on or by which the payment is to be made.

- 7.46 The Manager must give an Authorised Participant notice of the time and date of any drawdown on Collateral.
- 7.47 The Manager must return the Collateral as soon as reasonably practicable to the relevant Authorised Participant upon transfer of the Shortfall ETF Class Units.
- 7.48 The Manager may set out additional procedures governing Collateral in an authorised participant agreement.

### **Redemption cost**

- 7.49 On the redemption of ETF Class Units there shall be payable to the Fund in connection with the costs of the redemption of ETF Class Units such redemption or similar cost (if any) not exceeding \$50,000, as the Manager determines. Such redemption cost will be payable for the benefit of the Fund. The Manager may deduct such amount from any redemption proceeds that are payable in accordance with this constitution.

### **Additional amounts may be payable in relation to a redemption of Units**

- 7.50 In circumstances where a person redeeming Units has received the redemption amount pursuant to clause 7.38 or 7.39 (only in respect of Withdrawal Securities that have not been transferred to the relevant person pursuant to clause 7.39) (**Relevant Redeemer**) and where in calculating the Redemption Price for the relevant redemption the values attributed as at the relevant Valuation Time to securities that constitute the Withdrawal Securities are different to the actual proceeds received by the Fund when disposing of such securities in connection with the funding of the relevant redemption:
  - (a) if the proceeds received for such securities exceeds the value attributed as at the relevant Valuation Time to the securities, the Manager may determine that an additional amount equal to the difference by way of a transaction reimbursement shall be payable by the Fund to the Relevant Redeemer; or
  - (b) if the proceeds received for such securities is less than the value attributed as at the relevant Valuation Time to the securities, that the Manager may determine that an additional amount equal to the difference by way of a transaction cost shall be payable by the Relevant Redeemer to the Fund.

In determining the proceeds received for securities for the purposes of this clause, the actual brokerage incurred (including applicable GST after taking into account any expected reduced input tax credits) shall be deducted.

### **Allocation of income and gains on redemption**

- 7.51 The Manager may determine whether any portion of the Redemption Price paid to a Member represents income or gains of the Fund.
- 7.52 If a portion of the Redemption Price paid to a Member on redemption of Units represents income or gains of the Fund, the Manager must notify the Member the extent to which the Redemption Price is composed of, and the types of, income, gains and capital.
- 7.53 If the Manager makes a determination under clause 7.51, then it must record in the accounts and records of the Fund no later than 2 months after the end of the Financial Year:
- (a) the details of any net capital gain that was wholly or partly distributed in accordance with that clause, including the details of each capital gain that has been taken into account in the calculation of that net capital gain; and
  - (b) the proportion of that net capital gain that was included in the distribution.

## **8 Valuation of assets**

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### **Periodic valuations**

- 8.1 The Manager may cause an Asset to be valued at any time, and must do so as and when required by the Corporations Act and must do so in order to ensure that the Application Price and the Redemption Price are reasonably current as at the time of calculation.<sup>14</sup>
- 8.2 The Manager may determine Net Asset Value at any time, including more than once on each day.

### **Valuation methods**

- 8.3 The value of an Asset must be determined using an appropriate method determined by the Manager which method must be consistent with the range of ordinary commercial practice for valuing that type of Asset and the value of an Asset must be reasonably current. The Manager may determine valuation methods and policies for each category of Asset and change them from time to time. Unless the Manager determines otherwise, the value of an Asset for the purpose of calculating Net Asset Value will be its market value<sup>15</sup>. Where the Manager values an Asset at other than its market value, or where there is no market value, the valuation methods and policies applied by the Manager must be consistent with the range of ordinary commercial practice for valuing that type of Asset and the value of an Asset must be reasonably current.

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<sup>14</sup> See section 601FC(j) of the Corporations Act for Manager's obligations concerning valuation.

<sup>15</sup> See ASIC Policy Statement 134, paragraph 29: constitution should set out how scheme property will be valued.

## **Classes**

- 8.4 Where more than one Class is on issue and the Net Asset Value referable to a particular Class is being determined, reference to each of Assets and Liabilities is a reference to each proportion to those variables that the Manager determines as properly referable to the Class to which the Unit for which the Net Asset Value is being calculated belongs.

## **9 Income and distributions to Members**

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### **Determination of income and reserves**

- 9.1 The Manager is to determine whether any item is income or capital and the extent to which reserves or provisions need to be made.
- 9.2 In making the determinations under this clause 9.1, the Manager does not have to take into account accounting standards or generally accepted accounting principles and practices which apply to trusts. The preparation of the accounts of the Fund in accordance with current Australian accounting standards and generally accepted accounting principles is not to be regarded as a determination of the method for calculating the Distributable Amount.

### **Distribution of income**

- 9.3 The Manager may at any time distribute to Members income or capital out of the Fund.
- 9.4 For each Distribution Period, the Manager:
- (a) may elect to determine the Distributable Amount for the Distribution Period; and
  - (b) must calculate and distribute each Member's Distribution Entitlement.

### **Distributable Amount**

- 9.5 The Distributable Amount for a period is:
- (a) if the Manager makes an election pursuant to clause 9.4(a), the amount so determined by the Manager; or
  - (b) if the Manager makes no election pursuant to clause 9.4(a), the Operating Income for that period.

### **Distribution Entitlement**

- 9.6 Subject to the Terms of Issue for any Unit and the entitlement to the Distribution Amount of each class of Unit, each Member's Distribution Entitlement is to be determined in accordance with the following formula:

$$DE = DA \times \frac{UH}{UI}$$

where:

DE is the Distribution Entitlement.

DA is the Distributable Amount.

UH is the aggregate of each Unit holding of the Member at the close of business on the Distribution Calculation Date.

UI is the aggregate of all Units on issue at the close of business on the Distribution Calculation Date.

### **Distribution of Distribution Entitlement**

- 9.7 The Manager must pay to each Member its Distribution Entitlement on or before the Distribution Calculation Date.
- 9.8 For the purpose of determining the entitlement to the Distribution Entitlement for a distribution, the persons who are Members on the Distribution Calculation Date for that Distribution Period have an absolute, vested and indefeasible interest in the Distributable Amount for the Distribution Period.
- 9.9 The Manager may retain from each Member's Distribution Entitlement all amounts which are necessary to avoid distributing a fraction of a cent or which the Manager determines it is not practical to distribute on a Distribution Calculation Date. Any sum so retained will for all purposes be treated as income for the following Distribution Period.
- 9.10 The Manager may retain from the amounts to be distributed to a Member an amount in or towards satisfaction of any amount payable by the Member to the Manager under this deed or required to be deducted by law.
- 9.11 Subject to approval by a special resolution of Members, the Manager may satisfy all or part of its obligation to pay a Member's Distribution Entitlement by a distribution of an asset of the Fund to a Member in specie. Any such distribution will be on terms determined by the Manager. The Manager must determine the value of the asset of the Fund to be distributed in specie. Any Liabilities payable on an in specie distribution must be paid by the Member before the distribution is made.

## Capital distributions

- 9.12 The Manager may distribute capital of the Fund to the Members. Subject to the Terms of Issue of any particular Unit or Class, a Member is entitled to that proportion of the capital to be distributed as is equal to the number of Units held by that Member on a date determined by the Manager divided by the number of Units on the Register on that date. A distribution may be in Cash or of Assets.

## Excess distribution

- 9.13 If it is determined that, as at the end of a Financial Year, the aggregate of the amounts that have been distributed in accordance with this clause 9 exceed the actual Distributable Amount for the Financial Year, the excess will be taken to be a distribution of capital.

## Fund taxed as company

- 9.14 If the Fund is to be taxed as if it were a company, the Manager may determine that this clause 9.14 applies to any Distribution Period instead of clauses 9.1 to 9.13. If it does so:
- (a) as soon as practicable after the end of the Distribution Period the Manager must determine the income in respect of the Distribution Period. Unless the Manager determines otherwise before the end of the Distribution Period, income will be calculated in accordance with applicable Australian Accounting Standards;
  - (b) the Manager must provide for, and pay from the Assets of the Fund when appropriate, all Tax attributable to the income of the Fund;
  - (c) the Manager may, in its discretion from time to time, determine to pay such amounts of income (if any) as a distribution in respect of the Distribution Period (each a “Distributable Amount”) to Members on the Register on any date determined by the Manager (“CD Date”);
  - (d) for each Distributable Amount being paid to Members under this clause 9.14 the Manager:
    - (i) must comply with the Tax Act; and
    - (ii) may do anything required or permitted by the Tax Act in relation to trusts which are taxed as if they were companies; and
  - (e) a Member is entitled to a portion of the Distributable Amount, calculated as follows:

$$\frac{A \times C}{B}$$

where:

- A = the aggregate of the number of Units held by the Member as at the close of business on the CD Date for that Distributable Amount which are entitled to a full income distribution;
- B = the aggregate of the total number of Units entitled to a full income distribution; and
- C = the Distributable Amount.

### **Withholding tax**

- 9.15 The Manager may deduct from any amount to be paid to a person who is or has been a Member, including an amount paid in satisfaction of the person's entitlement arising under this clause 9, amounts relating to amounts of tax which the Manager is required to withhold or which is payable or which is anticipated to become payable by the Manager, or which the Manager considers should be deducted.
- 9.16 If the Manager does not deduct all or any part of amounts of tax which the Manager is required to withhold or which is payable or which is anticipated to become payable by the Manager, the Manager is entitled to be indemnified by the person in respect of such amounts.

### **Reinvestment**

- 9.17 The Manager may decide whether to permit or require the Members to reinvest some or all of any distribution to acquire Units.
- 9.18 If the Manager decides to permit or require reinvestment, it must notify Members of the procedure for reinvestment and any change in the procedure.
- 9.19 Unless otherwise determined by the Manager, if reinvestment applies in relation to Units of a particular Class, the Manager is deemed to have received an application to reinvest distributions arising in respect of Units of that Class for a Distribution Period, in Units of the same Class. The Application Price for reinvestment is the Application Price for a Unit of the Class calculated immediately preceding the end of the Distribution Period, excluding an amount equal to the Distribution Entitlement allocated to a Unit of that Class for the Distribution Period (calculated as if Transaction Costs are nil).
- 9.20 Each of the variables in clause 9.19 must be determined as at the last day of the relevant Distribution Period. The reinvested Units will be taken to have been

issued on the first Business Day following the end of the relevant Distribution Period.

### **Separate accounts**

- 9.21 The Manager may keep separate accounts of different categories or sources of income, or deductions or credits for tax purposes, and may allocate income, deductions or credits from a particular category or source to particular Members or Members holding a particular Class of Units.

### **Classes of Units**

- 9.22 The rights of a Member under this clause 9 are subject to the rights, obligations and restrictions attaching to any particular Units or the Class of Units which they hold.

## **10 Payments**

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- 10.1 Money payable by the Manager to a Member may be paid in any manner the Manager decides.
- 10.2 Cheques issued by the Manager that are not presented within 13 months may be cancelled. Where a cheque which is cancelled was drawn in favour of a Member, the money may be reinvested in Units at the Application Price prevailing at the next Valuation Time after the cheque is cancelled.
- 10.3 Where the Manager attempts to make a payment to a Member by electronic transfer of funds or any other means and the transfer is unsuccessful, then:
- (a) the money may be reinvested in Units at the Application Price prevailing at the next Valuation Time after failure of the third attempt; and
  - (b) the Manager may reinvest all further money payable by the Manager to the relevant Member in Units in accordance with the provisions of clause 9.
- 10.4 Only whole cents are to be paid, and any remaining fraction of a cent becomes an Asset.
- 10.5 A payment to any one of joint Members will discharge the Manager in respect of the payment.
- 10.6 The Manager may deduct from any amount to be paid to a person who is or has been a Member, or received from a person who is or has been a Member:
- (a) a Taxation Amount; or



- (b) any other amount owed by the Member to the Manager or any other person,

which the Manager is required or authorised to deduct by law, this constitution, or by any offering document for the Fund the terms of which are binding on the Member.

### **Rounding**

- 10.7 Only whole cents are to be paid and any remaining fraction of a cent becomes an Asset.

### **Third party arrangements**

- 10.8 The Manager may from time to time make available to Members a third party payment facility on terms and conditions determined by the Manager. Where, under the terms of a third party payment facility the Member requests that the proceeds of a redemption of Units be paid to a third party, the redemption proceeds may be paid to a third party in accordance with that request.

### **Mortgagee**

- 10.9 The Manager may from time to time by notice in writing to all or certain Members or in any other document offering or inviting subscriptions for Units, offer Members or applicants for Units the facility of requesting the Manager to enter a person in the Register as the Mortgagee of the Units referred to in the request or otherwise record in the Register that the person is a Mortgagee of those Units.
- 10.10 The Manager may apply any conditions or restrictions to the facility which the Manager in its absolute discretion considers appropriate, including conditions or restrictions which limit the availability of the facility or withdraw the facility altogether. However the facility may not be withdrawn in relation to Units in respect of which an entry has been made in the Register unless the relevant Member and Mortgagee both consents to the withdrawal of the facility.
- 10.11 While the facility mentioned in clause 10.9 is available, the Manager may at its discretion and at the written request of a Member or applicant for Units made in any form which the Manager for the time being prescribes, enter the person named as Mortgagee in the request, in the Register as the Mortgagee of the Units, but there must not be entered in the Register more than one Mortgagee of a Unit unless they are joint Mortgagees.
- 10.12 At the written request of a Mortgagee in a form approved by the Manager, the Manager must make an appropriate entry in the Register to the effect that the Mortgagee is no longer registered as the Mortgagee. On the Manager making the entry, the Mortgagee ceases to be registered as the Mortgagee in respect of the Units referred to in the request for the purposes of this constitution.

- 10.13 Except in the case of a redemption of Mortgaged Units under clause 7, the Manager may decline to carry out or recognise any dealings with Mortgaged Units without the consent of the relevant Mortgagee.
- 10.14 Notwithstanding any other provision of this constitution or any request made by a Member, if at the time of a distribution of income (other than acquiring additional Units through a distribution reinvestment plan under clauses 9.17 to 9.20), there is in relation to any Units a Mortgagee, there must be distributed to the Mortgagee and not the relevant Member so much of the amount distributed as would otherwise have been distributed to the Member in relation to those Units, unless the Manager has a written direction from the Mortgagee that the amount in question is to be distributed to the Member.
- 10.15 Where the Manager causes Mortgaged Units to be redeemed at the request of a Member under clause 7, the Redemption Price of those Units must be paid to the relevant Mortgagee unless the Manager has a written direction from the Mortgagee that the Redemption Price is to be paid to the Member.
- 10.16 Notwithstanding any other provision of this constitution, if on the termination of the Fund there is a Mortgagee of any Units, any amount or property to be distributed under clause 22 in respect of those Units must be distributed to the Mortgagee and not to the Member of those Units, unless the Manager has a written direction from the Mortgagee that the amount or property in question is to be distributed to the Member.
- 10.17 Any notice to be given by the Manager to a Mortgagee may be given in accordance with and is governed by clause 14 as if references in clause 14 to “Member” were references to “Mortgagee”. In the case of joint Mortgagees only the person whose name stands first in the Register as one of the joint Mortgagees of Units or, where the names of the joint Mortgagees are recorded of Units or, where the names of the joint Mortgagees are recorded separately by the Manager, the person whose name stands first in the Manager’s record, is entitled to receive notices from the Manager, and any notice given to that person is to be deemed given to all the joint Mortgagees.
- 10.18 Where applicable, the terms and conditions of this constitution bind a Mortgagee and persons claiming through a Mortgagee as if the Mortgagee had been party to and had executed this constitution. Under no circumstances has a Mortgagee any greater rights under this constitution than those of a Member whose Units are not Mortgaged Units and, without limiting the generality of the foregoing, where under this constitution any limitations or restraints apply to the rights or actions of Members those limitations or restraints, so far as applicable, apply also to Mortgagees.
- 10.19 The Manager has no liability whatsoever in respect of any act or refusal to act which is believed by the Manager to be justified under this clause 10. Under no circumstances is the Manager to be taken to have notice of or be under any

obligations to inquire into the terms of any mortgage, charge or other security interest affecting Units.

- 10.20 The Manager is released and discharged and is entitled to be indemnified by each Member who makes use of the facility referred to in this clause 10 against all actions, proceeding, accounts, costs, claims and demands in respect of any liabilities howsoever arising directly or indirectly out of the Member's use of that facility, unless the Manager has failed to show the degree of care and diligence required of the Manager having regard to the powers, authorities and discretions conferred on the Manager by this constitution.

## 11 Powers of the Manager

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### General powers

- 11.1 In addition to its powers arising under other provisions of this constitution and by law, the Manager has all the powers in respect of the Fund and the Assets that it is possible to confer on a natural person or corporation by law and as though it were the absolute and beneficial owner of the Assets and acting in its personal capacity.

### Contracting and borrowing powers<sup>16</sup>

- 11.2 Without limiting clause 11.1, but subject always to the proper performance by the Manager of its duties under the constitution and at law, the Manager in its capacity as trustee of the Fund has power to incur all types of obligations and liabilities including:
- (a) to borrow or raise money (whether or not on a secured basis and in any manner whatsoever including all forms of financial accommodation and debt facilities);
  - (b) to grant security (whether for the obligations of the Manager or another person);
  - (c) to grant guarantees and indemnities;
  - (d) to enter into derivatives; and
  - (e) to incur all types of obligations and liabilities.

### Investment powers

- 11.3 Without limiting clause 11.1, but subject always to the proper performance by the Manager of its duties under the constitution and at law, the Manager may in its capacity as responsible entity of the Fund invest in, dispose of or otherwise deal with property and rights in its absolute discretion. This includes the power:

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<sup>16</sup> Required to be included by section 601GA(3) of the Corporations Act.

- (a) to invest the whole or part of the Assets in a single type of asset, in trusts managed or controlled by the Manager or its related body corporate or such other investments as the Manager determines; and
- (b) to lend money, on-lend or provide financial accommodation to any person on such terms as the Manager thinks fit.

#### **Power of delegation<sup>17</sup>**

- 11.4 The Manager may authorise any person to act as its agent or delegate (in the case of a joint appointment, jointly and severally) to hold title to any Asset, perform any act or exercise any discretion within the Manager's power, including the power to appoint in turn its own agent or delegate.
- 11.5 The Manager may include in the authorisation provisions to protect and assist those dealing with the agent or delegate as the Manager thinks fit.
- 11.6 The agent or delegate may be an associate of the Manager.<sup>18</sup>

#### **Exercise of discretion**

- 11.7 The Manager may in its absolute discretion decide how and when to exercise its powers.

#### **Equality of treatment**

- 11.8 The Manager, to the extent permitted by the Corporations Act and/or any Relief, does not have to treat all Members equally, including by:
  - (a) not making a pro rata offer to certain Members; or
  - (b) treating professional investors or other types of investors differently from other persons.

#### **Individual arrangements with Holders**

- 11.9 Without limiting clause 11.1 and subject to the Corporations Act, the Manager may enter into arrangements or side letters with any one or more Members in connection with the exercise of its powers or discretions.

#### **AMIT Powers and Consent**

- 11.10 Without limiting clause 11.1, the Manager has the power to:
  - (a) make the choice for the Fund to be an AMIT for the purposes of section 276-10 of the 1997 Act;
  - (b) make the choice that each Class will be treated as a separate AMIT for the purposes of section 276-20 of the 1997 Act;

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<sup>17</sup> See also section 601FB of the Corporations Act.

<sup>18</sup> Subject to Part 5C.7 of the Corporations Act.

- (c) comply with the requirements of the 1997 Act, 1936 Act and *Taxation Administration Act 1953* (Cth) relating to the administration and operation of AMITs, including information disclosure and documentation requirements; and
  - (d) exercise any discretions in the 1997 Act, 1936 Act and *Taxation Administration Act 1953* (Cth) relating to the administration and operation of AMITs, including the allocation of Unders, Overs and Trust Component Deficits in complying with clause 12.
- 11.11 The Members consent to the Manager making the choice for the Fund and any Classes to be treated as AMITs in accordance with clauses 11.10(a) and 11.10(b) and to comply with any request for information issued by the Manager which the Manager reasonably believes is necessary for the Fund or Class, as relevant, to comply with the AMIT tax rules.

### Reorganisation

- 11.12 The Manager has the power to do, and is authorised to do, all things which it considers necessary, desirable or reasonably incidental for the purpose of implementing or effecting the Reorganisation and those powers apply notwithstanding, and are not limited by, any other provision of this constitution.

In this clause 11.12, **Reorganisation** means the reorganisation involving the exchange of CDIs (as defined in clause 4.9) for Units in the Fund as described in the notice of meeting and explanatory memorandum issued in connection with the reorganisation.

## 12 AMIT Rules

### AMIT Rules

- 12.1 For each Financial Year during which the Fund is an AMIT, the Manager can:
- (a) determine each of the amounts of particular characters of Assessable Income, Exempt Income, Non-assessable, Non-exempt Income and Tax Offsets for the Fund and any Class;
  - (b) subject to the terms of issue of any particular Unit or Class, where, pursuant to clause 7.51, the Manager has determined that, to fund a redemption, the whole or part of a Member's redemption amount consists of a Distributable Amount that is an amount arising from the sale of an asset of the Fund or Class, as relevant, allocate to that Member that proportion of the amount of a particular character determined under clause 12.1(a) that is a discount capital gain or non-discount capital gain, as relevant, relating to the sale of the asset that is equal to the proportion of the Distributable Amount arising from the sale of the asset that is included in the Member's redemption amount;

- (c) apply any Unders, Overs and Trust Component Deficits to the remainder amounts after the allocations in clause 12.1(b) in accordance with subdivision 276-F of the 1997 Act and subject to the discretions in that subdivision;
- (d) subject to the terms of issue of any particular Unit or Class, allocate the amounts so determined after the application of clause 12.1(c):
  - (i) first, to Members where their Units have been redeemed during the Financial Year, in the proportion that is equal to:
    - (A) the Distributable Amounts for the Financial Year in relation to the Fund or Class, as relevant, to which the Member was entitled in relation to their redeemed Units, reduced by any Distributable Amounts arising from the sales of assets that are included in the Member's redemption amount as referred to in clause 12.1(b); divided by
    - (B) the Total Distributable Amount for the Financial Year in relation to the Fund or Class, as relevant, reduced by any Distributable Amounts arising from the sales of assets that are included in any Member's redemption amount as referred to in clause 12.1(b);
  - (ii) in relation to the remainder amounts after the allocations in clause 12.1(d)(i), to each Member who is on the Register on the last day of the Financial Year in the proportion that is equal to the sum of:
    - (A) the Distributable Amounts distributed to the Member from the Fund or Class, as relevant, during the Financial Year; and
    - (B) any other entitlements of the Member to a portion of the Total Distributable Amount of the Fund or Class, as relevant, for the Financial Year,

divided by the Total Distributable Amount for the Financial Year in relation to the Fund or Class, as relevant, after it has been reduced by any Distributable Amounts for the Financial Year in relation to the Fund or Class, as relevant, to which any Members who have had their Units redeemed during the Financial Year were entitled in relation to their redeemed Units;
- (e) ensure that any allocation made in accordance with this clause is made on a fair and reasonable basis having regard to the terms of issue of a Unit or Class; and

- (f) comply with the documentation requirements under subdivision 276-H of the 1997 Act, including the preparation of AMIT Member Annual Statements within the prescribed time frames.

To the extent of any inconsistency, this clause shall prevail over clause 7.51 and clause 9.

## 13 Retirement of Manager

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### **Voluntary retirement**

- 13.1 The Manager may retire as the responsible entity of the Fund as permitted by law<sup>19</sup>.

### **Compulsory retirement**

- 13.2 The Manager must retire as the responsible entity of the Fund when required by law<sup>20</sup>.

### **New responsible entity**

- 13.3 Any proposed replacement manager must execute a deed by which it covenants to be bound by this constitution as if it had originally been a party to it.

### **Release**

- 13.4 When it retires or is removed, the Manager is released from all obligations in relation to the Fund arising after the time it retires or is removed.<sup>21</sup>
- 13.5 The Manager may receive and retain for itself a payment or other benefit in respect of its retirement or removal as responsible entity of the Fund, provided that any such payment or benefit is not made or reimbursed from the Assets or the Fund.

## 14 Notices to Members

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- 14.1 Subject to the Corporations Act, a notice or other communication required under this constitution to be given to a Member must be given in writing (which includes a fax or by electronic means capable of being reduced to writing) or in such other manner as the Manager determines, and be delivered or sent to the Member at the Member's physical or electronic address last advised to the Manager for delivery of notices.

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<sup>19</sup> See section 601FL of the Corporations Act. The change does not take effect until the ASIC alters its records-section 601FJ of the Corporations Act.

<sup>20</sup> See sections 601FM and 601FA of the Corporations Act.

<sup>21</sup> See section 601FR of the Corporations Act for the Manager's obligation to transfer records, etc. Section 601FS of the Corporations Act restricts this release.

- 14.2 A cheque payable to a Member may be posted to the Member's physical address or handed to the Member or a person authorised in writing (which includes a fax or by electronic means capable of being reduced to writing) by the Member<sup>22</sup>.
- 14.3 In the case of joint Members, the physical or electronic address of the Member means the physical or electronic address of the Member first named in the Register.
- 14.4 A notice, cheque or other communication sent by post is taken to be received two Business Days after it is posted and a fax is taken to be received 1 hour after receipt by the transmitter of confirmation of transmission from the receiving fax machine. Proof of actual receipt is not required. Subject to the law<sup>23</sup>, the Manager may determine<sup>24</sup> the time at which other forms of communication will be taken to be received.

## 15 Notices to the Manager

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### Written

- 15.1 A notice required under this constitution to be given to the Manager must be given in writing (which includes a fax), or in such other manner as the Manager determines (including any electronic means of communication).

### Effective time

- 15.2 The notice is effective only at the time of receipt.

### Signature

- 15.3 The notice must bear the actual, facsimile or electronic signature of the Member or a duly authorised officer or representative of the Member<sup>25</sup> unless the Manager dispenses with this requirement.

## 16 Meetings of Members

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### Corporations Act

- 16.1 The Manager may at any time convene a meeting of Members or of Members holding a Class of Units, and must do so if required by the Corporations Act.<sup>26</sup>

### Manager may determine

- 16.2 Subject to this clause 16 and the Corporations Act<sup>27</sup>, the Manager may determine the time and place at which a meeting of Members of the Fund or of

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<sup>22</sup> See clause 17.3(c) of this constitution.

<sup>23</sup> See section 601FC(1)(d) of the Corporations Act.

<sup>24</sup> See section 252G(4) of the Corporations Act.

<sup>25</sup> See clause 17.3(c) of this constitution.

<sup>26</sup> See Part 2G.4 of the Corporations Act.

<sup>27</sup> See Part 2G.4 of the Corporations Act.



Members of a Class in the Fund will be convened and the manner in which the meeting will be conducted.

### **Proxies**

- 16.3 The Manager may determine that an appointment of a proxy is valid even if it contains only some of the information required under the Corporations Act.<sup>28</sup>

### **Non-receipt**

- 16.4 If a Member does not receive a notice (including if notice was accidentally omitted to be given to them), the meeting is not invalidated.

### **Quorum**

- 16.5 The quorum for a meeting:
- (a) of Members of a Class in the Fund is at least 2 Members of the Class present in person or by proxy together holding at least 5% of all Units of that Class, unless the Class of the Fund has only one Member who may vote on a Resolution, in which case that one Member constitutes a quorum; and
  - (b) of Members is at least 2 Members present in person or by proxy together holding at least 5% of all Units, unless the Fund has only one Member who may vote on a Resolution, in which case that one Member constitutes a quorum.

### **No quorum**

- 16.6 If a quorum is not present within 30 minutes after the scheduled time for the meeting, the meeting is:
- (a) if convened on the requisition of Members - dissolved; or
  - (b) otherwise - adjourned to such place and time as the Manager decides.

At any adjourned meeting, those Members present in person or by proxy constitute a quorum.

### **Chairman**

- 16.7 Subject to the Corporations Act<sup>29</sup> the Manager may appoint a person to chair a meeting of Members.
- 16.8 The decision of the chairman on any matter relating to the conduct of the meeting is final and a declaration by the chairman that a resolution has been carried or lost is conclusive evidence of that fact.

<sup>28</sup> See section 252Y(2) of the Corporations Act.

<sup>29</sup> See Part 2G.4 and section 601FC(1) of the Corporations Act.

**Adjournment**

- 16.9 The chairman has power to adjourn a meeting for any reason to such place and time as the chairman thinks fit.

**Resolutions binding**

- 16.10 A Resolution by:
- (a) Members, binds all Members; or
  - (b) Members holding a Class of Units, binds all Members holding that Class of Unit,
- whether or not they were present at the meeting.
- 16.11 No objection may be made to any vote cast unless the objection is made at the meeting.

**Minutes or signed Resolution**

- 16.12 The minutes of a meeting of Members signed by the chair of the meeting or, where the law allows, a Resolution signed by the Required Majority of Members, is conclusive evidence of the matters stated in them unless the contrary is proved.

## 17 Rights and liabilities of Manager

**Holding Units**

- 17.1 The Manager and its associates may hold Units in the Fund in any capacity<sup>30</sup>. Without limiting this clause, the Manager may hold Units in the Fund as security or collateral for obligations owed to the Fund by third parties and may sell or otherwise realise any Units in the Fund held by it. Subject to the Corporations Act, the Manager may redeem Units in the Fund held by it in accordance with clauses 6 and 7.

**Other capacities**

- 17.2 Subject to the Corporations Act<sup>31</sup>, nothing in this constitution restricts the Manager (or its associates) from:
- (a) dealing with itself (as trustee of the Fund or in another capacity) an associate or with any Member;
  - (b) being interested in any contract or transaction with itself (as trustee of the Fund or in another capacity), an associate or with any Member or retaining for its own benefit any profits or benefits derived from any such contract or transaction; or

<sup>30</sup> See section 601FG, section 253E and Part 5C.7 of the Corporations Act.

<sup>31</sup> See Part 5C.7 of the Corporations Act.

- (c) acting in the same or a similar capacity in relation to any other managed investment scheme.

### **Manager may rely**

17.3 The Manager may take and may act upon:

- (a) the opinion or advice of counsel or solicitors, whether or not instructed by the Manager, in relation to the interpretation of this constitution or any other document (whether statutory or otherwise) or generally in connection with the Fund;
- (b) advice, opinions, statements or information from any bankers, accountants, auditors, valuers, and other persons consulted by the Manager who are in each case believed by the Manager in good faith to be expert in relation to the matters upon which they are consulted;
- (c) a document which the Manager believes in good faith to be the original or a copy of an appointment by a Member of a person to act as their agent for any purpose connected with the Fund; and
- (d) any other document provided to the Manager in connection with the Fund upon which it is reasonable for the Manager to rely,

and the Manager will not be liable for anything done, suffered or omitted by it in good faith in reliance upon such opinion, advice, statement, information or document.

## **18 Limitation of liability and indemnity in favour of Manager**

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### **Limitation on Manager's liability**

- 18.1 The Manager is not liable in contract, tort or otherwise to Members for any loss suffered in any way relating to the Fund, except to the extent that the Corporations Act imposes such a liability.
- 18.2 Subject to the Corporations Act, the liability of the Manager to any person other than a Member in respect of the Fund (including in respect of any contracts entered into as trustee of the Fund or in relation to any Assets) is limited to the Manager's ability to be indemnified from the Assets.

### **Indemnity in favour of Manager**

- 18.3 The Manager is entitled to be indemnified out of the Assets for any liability incurred by it in properly performing its duties in relation to the Fund<sup>32</sup>. This clause 18.3 is subject to the Corporations Act. Without limitation, the right of the Manager to be indemnified out of the Assets pursuant to this clause 18.3 is only available in relation to the proper performance by the Manager of its duties in relation to the Fund as responsible entity of the Fund.

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<sup>32</sup> See section 601GA(2) of the Corporations Act.

- 18.4 To the extent permitted by the Corporations Act<sup>33</sup>, the indemnity under clause 18.3 includes any liability incurred as a result of any act or omission of a delegate or agent appointed by the Manager.
- 18.5 This indemnity is in addition to any indemnity allowed by law. It continues to apply after the Manager retires or is removed as responsible entity of the Fund.
- 18.6 Without limiting clause 18.3, the Manager is entitled to be indemnified out of the Assets for any liability incurred by it in properly performing ~~or exercising any of its powers or~~ duties in relation to the Fund that either:
- (a) is an attribution income tax liability of the Manager; or
  - (b) results from a Member or former Member making a claim against the Manager in relation to an attribution income tax liability of the Member or former Member that results from an attribution by the Manager under section 276-210 of the 1997 Act to the Units held by the Member or former Member.

#### **Entitlement to require payment**

- 18.7 The Manager is entitled to require payment by a Member of all Taxes, fees and other charges payable in respect of a transfer or a Member's holding in the Fund prior to effecting any transaction or dealing with any part of the Assets of the Fund on behalf of, for the benefit of or at the request of a Member.

## **19 Liability of and restrictions on Members**

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### **Liability limited**

- 19.1 Subject to clauses 5.18, 7.40 and 19.3 and any separate agreement or acknowledgment by the Member, the liability of a Member is limited to the amount if any which remains unpaid in relation to the Member's subscription for their Units.
- 19.2 A Member need not indemnify the Manager if there is a deficiency in the Assets to meet the claim of any creditor of the Manager in respect of the Fund.
- 19.3 The Manager is entitled to be indemnified by a Member or former Member to the extent that the Manager incurs any liability for a Taxation Amount or User Pays Fees as a result of the Member's action or inaction or as a result of an act or omission requested by the Member or former Member.
- 19.4 Joint Members and former Members are jointly and severally liable in respect of all payments including payments of Tax to which clause 19.3 applies, and User Pays Fees.

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<sup>33</sup> See sections 601FB(2) and 601GA(2) of the Corporations Act.

**Recourse**

- 19.5 In the absence of separate agreement with a Member, and subject to clause 19.3, the recourse of the Manager and any creditor is limited to the Assets.

**Restrictions on Members**

- 19.6 A Member:
- (a) must not interfere with any rights or powers of the Manager under this constitution;
  - (b) must not exercise a right in respect of an Asset or lodge a caveat or other notice affecting an Asset or otherwise claim any interest in an Asset; and
  - (c) may not require an Asset to be transferred to the Member.

## 20 Remuneration and expenses of Manager

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**Fee payment arrangements**

- 20.1 Subject to the proper performance of its duties, the Manager is entitled to:
- (a) in relation to the processing of an application for Units, be paid from the Assets in respect of each application for Units in the Fund which it accepts an Application Fee of up to 5% of the application money. When calculating the number of Units to be issued pursuant to the application, the Application Fee (plus GST) must first be deducted from the value of the application money or property. The fee is payable immediately after the Unit or Units the subject of the application has been issued;
  - (b) in relation to the processing of a redemption for Units, be paid in respect of each Unit redeemed a Redemption Fee of up to 5% of the Redemption Price. The fee is payable immediately after the relevant redemption has been effected in accordance with clause 7.26; and
  - (c) in relation to the management of the Fund, be paid from the Assets or Operating Income a management fee of 5% per annum of the Net Asset Value calculated and accrues daily and payable monthly in arrears, from the date the Fund commences to the date of final distribution in accordance with clause 22.3. The management fee is payable within 14 days after the last day of each month.
- 20.2 Subject to the Corporations Act, the Manager is entitled to the fees under clause 20.1 in respect of applications, redemptions and its management of the Fund determined, in respect of each Class of Units, by the Manager whether on a uniform or differential basis.

### **Separate arrangements for fees**

- 20.3 Subject to the Corporations Act, the Manager may make separate arrangements from time to time with any Member concerning the payment by the Member of management fees to the Manager whether on a uniform or differential basis. For the avoidance of doubt, these separate arrangements may only relate to the amount of such fee or the manner in which such fee is paid.

### **Waiver of fees**

- 20.4 The Manager may accept lower fees than it is entitled to receive under this constitution, or may waive or defer payment of its fees or reimbursement of any or all expenses under this clause 20 for any period. Where payment is deferred, the fee accrues daily until paid.

### **Expenses**

- 20.5 All expenses incurred by the Manager in relation to the proper performance of its duties in respect of the Fund<sup>34</sup> are payable or reimbursable out of the Assets to the extent that such reimbursement is not prohibited by the Corporations Act. This includes expenses connected with:
- (a) this constitution and the formation of the Fund and any amendments to the constitution;
  - (b) the preparation, review, distribution and promotion of any product disclosure statement or other document in respect of Units or other promotion of the Fund;
  - (c) the acquisition, disposal, insurance, custody, sub-custody and any other dealing with Assets;
  - (d) any proposed acquisition, disposal or other dealing with an investment or liability;
  - (e) the administration or management of the Fund or its Assets and Liabilities, including the maintenance of the Register;
  - (f) the establishing and maintaining of the Register;
  - (g) the preparation, printing and postage of statements, reports or other communications with Members;
  - (h) convening and holding meetings of Members, the implementation of any Resolutions and communications with Members;
  - (i) the preparation, printing and postage of distribution statements;
  - (j) ASX quotation and trading;

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<sup>34</sup> See section 601GA(2)(b) of the Corporations Act.

- (k) Tax, including any amount charged by a supplier of goods or services, or both, to the Manager by way of or as a reimbursement for GST;
- (l) financial institution fees and charges, including any charges incurred under a facility for the direct transfer from or to a Member's bank account;
- (m) the engagement of delegates, agents, valuers, contractors and advisers (including legal advisers), brokers, underwriters, index licence providers and contractors whether or not they are associates of the Manager;
- (n) preparation and audit of the taxation returns and accounts of the Fund;
- (o) termination and winding up of the Fund and the retirement or removal of the Manager and the appointment of a replacement;
- (p) any court proceedings, arbitration or other dispute concerning the Fund including proceedings against the Manager, except to the extent that the Manager is found by a court to be in breach of trust or to have been grossly negligent, in which case any expenses paid or reimbursed under this clause 20.5(p) must be repaid;
- (q) the compliance committee established by the Manager in connection with the Fund (if any), including any fees paid to or insurance premiums<sup>35</sup> in respect of Compliance Committee Members and the costs of independent advice sought by the compliance committee;
- (r) while there is no compliance committee, any costs and expenses associated with the board of directors of the Manager carrying out the functions which would otherwise be carried out by a compliance committee, including any fees paid to or insurance premiums in respect of external directors appointed to satisfy the requirements of Chapter 5C of the Corporations Act;
- (s) the preparation, implementation, amendment and audit of the compliance plan;
- (t) computer hardware and software systems used for the administration and management of the Fund or communications with Members;
- (u) complying with any law, and any request or requirement of ASIC or other relevant body;
- (v) any other cost, charge or expense incurred in connection with the promotion, administration or operation of the Fund; and

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<sup>35</sup> See section 601JG of the Corporations Act.

- (w) the choice to be an AMIT for the purposes of sections 276-10 and 276-20 of the 1997 Act and compliance with the requirements in the 1997 Act, 1936 Act and the *Taxation Administration Act 1953* (Cth) relating to the administration and operation of AMITs, including information disclosure and documentation requirements.

## **GST**

- 20.6 If the Manager is or becomes liable to pay GST in respect of any supply under or in connection with this constitution then, in addition to any fee or other amount or consideration payable to the Manager in respect of the supply, the Manager is entitled to be paid out of the Assets an additional amount on account of GST, such amount to be calculated by multiplying the fee, amount or consideration for the part of the supply which is a taxable supply for GST purposes by the prevailing rate of GST. This clause does not apply to supplies in respect of which the relevant fees are expressed as GST inclusive in this constitution.
- 20.7 In relation to any fee that is expressed as GST inclusive in this constitution, in the event of an increase in the rate of GST, the new GST inclusive fee is determined by converting the existing GST inclusive fee to a GST exclusive figure (based on the GST rate immediately prior to the new prevailing GST rate) and multiplying it by  $(1 + n)$  where “n” is the new prevailing rate of GST (expressed as a decimal).
- 20.8 In the event that the Manager is not entitled to an input tax credit in respect of the amount of any GST charged or recovered from the Manager by any person, or payable by the Manager by way of reimbursement of GST referable directly or indirectly to any supply made under or in connection with this constitution, the Manager is entitled to recover from the Fund by way of reimbursement an additional amount equivalent to the amount of such input tax.

## **Sums owed to the Manager**

- 20.9 The Manager may redeem some or all of the Units held by a Member to satisfy any amount of money due to it by the Member.

## **ETF Recovery Fee**

- 20.10 Subject to the Corporations Act and the proper performance by the Manager of its duties, the Manager may:
  - (a) on an application for ETF Class Units, charge the applicant an ETF Recovery Fee of a maximum amount of \$50,000 (inclusive of GST, if any); and
  - (b) on the redemption of ETF Class Units, charge the redeeming ETF Class Member an ETF Recovery Fee of a maximum amount of \$50,000 (inclusive of GST, if any).



The ETF Recovery Fee is payable in connection with the costs of the application or redemption (as applicable) by the applicant for ETF Class Units or the ETF Class Member (as applicable) and not from the Assets. For the avoidance of doubt, the ETF Recovery Fee is payable in respect of an application for Units in addition to the Application Amount and the ETF Recovery Fee may be deducted from any amount payable to the applicant for ETF Class Units or to the ETF Class Member (as the case may be), including from distribution or redemption proceeds.

### **Class Expenses**

- 20.11 Subject to the Corporations Act (if relevant), where a Class of Units is on issue the Manager may make a determination that an expense, cost, fee or tax or a proportion of an expenses, cost, fee or a tax, is to be a Class Expense in relation to a Class, but if no determination is made under this clause, any expense, cost, fee or tax under clause 20 is to be referable to all Units on an equal basis.

### **Proper performance by the Manager**

- 20.12 This clause 20 is to be read subject to the Corporations Act. Without limitation, the right of the Manager to be paid any fees or other amounts out of the Assets pursuant to this clause 20 is only available in relation to the proper performance by the Manager of its duties in relation to the Fund.

## **21 Duration of the Fund**

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### **Initial settlement and issue of Units in a Class**

- 21.1 The Fund is constituted by the lodgement of the initial application money with the Manager. Each Unit issued as a result of the lodgement of that initial application money will be issued at an Application Price per Unit of the Net Asset Value (calculated as if the application money in respect of the relevant application was part of the Trust Property as at the time of calculation) as at the relevant time referred to in clause 4.3 following receipt by the Manager of an application that complies with clause 5, plus any Transaction Costs, divided by the number of Units that the Manager agrees to issue in respect of that application at that Valuation Time. Except as provided in this constitution, the initial Units in respect of a Class will be issued at an Application Price per Unit of the Net Asset Value attributable to that Class (calculated as if the application money in respect of the relevant application was part of the Trust Property as at the time of calculation) as at the relevant time referred to in clause 4.3 following receipt by the Manager of an application that complies with clause 5, plus any Transaction Costs, divided by the number of Units in that Class that the Manager agrees to issue in respect of that application at that Valuation Time.

### **Termination**

- 21.2 The Fund terminates on the earliest of:

- (a) the 80th anniversary of the day before the Fund commenced;
- (b) the date specified by the Manager as the date of termination of the Fund in a notice given to Members; and
- (c) the date on which the Fund terminates in accordance with another provision of this constitution or by law<sup>36</sup>.

21.3 If the Fund terminates in accordance with Part 5C.9 of the Corporations Act, the Manager must act in accordance with the termination procedures outlined in Part 5C.9 of the Corporations Act.

## 22 Procedure on termination

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### Realisation of Assets

22.1 Following termination, the Manager must realise the Assets within such time as the Manager considers advisable in the interests of Members.

### Audit of winding up

22.2 Subject to the Corporations Act (if it applies), the Manager must arrange for independent audit of the final accounts of the Fund by a registered company auditor or audit firm after winding up of the Fund.

### Distribution following termination

22.3 The net proceeds of realisation, after making allowance for all Liabilities of the Fund (actual and anticipated) and meeting the expenses (including anticipated expenses) of the termination of the Fund, must be distributed by the Manager to Members of the Fund in accordance with the following formula:

$$CE = \frac{UV}{AUV}$$

where:

CE is the proportion of the distribution to which the Member is entitled;

UV is the sum of the Redemption Price for all Units held by the Member in the Fund at the date of distribution calculated by:

- (a) disregarding clause 6.3;
- (a) determining each of the variables in clauses 6.1 and 6.2 (whichever is applicable) at the date of distribution; and

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<sup>36</sup> See Part 5C.9 of the Corporations Act on winding up.

- (b) assuming all Units held at the relevant time were to be redeemed at the date of distribution; and

AUV is the aggregate of the Redemption Price for all Units on issue in the Fund at the date of distribution calculated by:

- (a) disregarding clause 6.3;
  - (a) determining each of the variables in clauses 6.1 and 6.2 (whichever is applicable) at the date of distribution; and
  - (b) assuming all Units held by the Member at the relevant time were to be redeemed at the date of distribution.
- 22.4 Payments by the Manager in respect of Liabilities of the Fund (actual and anticipated) and expenses of the Fund (including anticipated expenses) shall be made in priority to any payments to be made by the Manager to Members pursuant to this clause 22. The Manager may distribute proceeds of realisation in instalments and may postpone the realisation of the Assets for such time as it thinks desirable in the interests of Members and subject to the Corporations Act, shall not be responsible or liable for any loss attributable to such postponement.
- 22.5 Subject to the Corporations Act, the provisions of this constitution continue to apply from the date of termination until the date of final distribution under clause 22.3 but, during that period the Manager may not accept any applications for Units and is under no obligation to process redemption requests after the date of termination.

#### **Transfer in specie**

- 22.6 Despite the provisions of clauses 22.1 to ~~22.5~~ ~~22.4~~ inclusive, the Manager may, having regard to the interests of Members, transfer Assets to a Member in satisfaction of that Member's entitlement in the Fund. The value of the Assets transferred will be determined in a manner consistent with clause 8 in order to ensure that the valuations are consistent with the range of ordinary commercial practice for valuing assets of that type and are reasonably current. The costs, fees, Taxes and disbursements incurred in transferring those Assets will be borne by the Member or deducted from the amount due to the Member. For the avoidance of doubt, the Manager in its discretion may transfer Assets pursuant to this clause 22.6 to one or more particular members without transferring Assets to all Members and may transfer Assets to Members of a particular Class without transferring Assets to Members in all Classes.

#### **Termination of a Class**

- 22.7 A Class may be terminated by the Manager on the date specified by the Manager as the date of termination of the relevant Class in a notice given to Members. The provisions of clauses 22.1 to 22.6 shall apply to a termination of a Class pursuant to this clause with: (i) references in these clauses to the Fund to be applied as a reference to the relevant Class; (ii) references to a Redemption Price to be

applied as the Redemption Price for the relevant Class; and (iii) references to any variables being applied so that any variable which relates only to the relevant Class and does not relate to other Classes, is solely referable to the Class to which it relates and any variable that relates to more than one Class is to be apportioned between the relevant Classes in accordance with this constitution. The Manager may determine that the proceeds payable to a Member in respect of a termination of a Class pursuant to this clause shall be applied on behalf of such Member to subscribe for Units in a different Class.

### **Postponement of realisation**

- 22.8 Subject to the Corporations Act, the Manager may postpone realisation of Assets and will not be responsible for any resulting loss unless caused by its gross negligence or breach of trust.

### **Partial distribution of proceeds**

- 22.9 The Manager may:
- (a) make partial distributions of Fund proceeds during the winding up period; and/or
  - (b) hold on reserve any Fund proceeds that would otherwise be available for distribution.

### **Assignment or novation of Assets**

- 22.10 In order to facilitate an orderly winding up of the Fund, the Manager may, having regard to the interests of Members, assign, transfer or novate one or more Assets (including to related parties of the Manager) in return for cash payments as determined by the Manager.

### **Cancellation of Units**

- 22.11 Unless the Manager determines otherwise, all Units in the Fund will be cancelled and taken to be redeemed from the date the final distribution of the net proceeds of realisation of the Assets in accordance with clause 22.3 is made to Members.

## **23 Amendments to this constitution**

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### **Power to amend**

- 23.1 Subject to the Corporations Act the Manager may by deed amend this constitution<sup>37</sup>.

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<sup>37</sup> See section 601GC for power to amend the constitution. The amendment cannot take effect until a copy of the modification is lodged with ASIC.

### Statutory requirements

- 23.2 If the Corporations Act or a condition of any applicable Relief as amended or replaced from time to time requires that this constitution contain certain provisions, then those provisions are deemed to be incorporated into this constitution at all times at which they are required to be included and prevail over any other provisions of this constitution to the extent of any inconsistency. Clause 23.1 does not apply to provisions deemed by this clause 23.2 to be incorporated in the constitution.

## 24 Compliance committee

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If any Compliance Committee Member incurs a liability in that capacity in good faith, the Compliance Committee Member is entitled to be indemnified out of the Assets in respect of that liability to the extent permitted by the Corporations Act<sup>38</sup>.

## 25 Complaints

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- 25.1 While the Fund is a Registered Scheme, the Manager, as the holder of an Australian financial services licence, must comply with dispute resolution requirements in section 912A(2) of the Corporations Act in dealing with complaints received from Members who are retail clients or wholesale clients (as defined in the Corporations Act) in relation to the Fund, including where a Member disagrees with the Manager's calculation of the Member's allocation of an amount of Assessable Income, Exempt Income, Non-assessable, Non-exempt Income and Tax Offsets in accordance with the legislation relating to AMITs, subject to complying with the terms of that legislation.

## 26 Interpretation

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### Definitions

In this constitution these words and phrases have the following meaning unless the contrary intention appears:

#### **Accept:**

- (a) in respect of an application for Units and subject to the terms of this constitution, the doing of any act by the Manager or its agent that constitutes an acceptance of the application or evidence that the application has been accepted, including notifying the applicant or recording a determination that the application is accepted, transferring the application money into an account other than an Applications Account, applying the application money to the purchase of investments for the Fund,

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<sup>38</sup> See section 601JF of the Corporations Act.

or recording in the Register the issue of Units in response to the application; and

- (b) in respect of a request for redemption of Units by a Member and subject to the terms of this constitution, the doing of any act by the Manager or its agent that constitutes an acceptance of the request or evidence that the request has been accepted, including notifying the Member or recording a determination that the request will be met in whole or in part, recording the redemption of Units in the Register or paying the redemption proceeds to or at the direction of the Member or former Member,

and **Acceptance** and **Accepted** have corresponding meanings.

**Allocated Redemption Income:** An amount of income that forms part of the Redemption Price and allocated to a Member in accordance with clause 7.52.

**Alternative Application Securities:** in the case of an application for Units under clause 5.17, a portfolio of securities as determined by the Manager from time to time in respect of such application for the purposes of this definition.

**Alternative Withdrawal Securities:** in the case of a redemption of Units under clause 7.39, a portfolio of securities as determined by the Manager from time to time in respect of such redemption for the purposes of this definition.

**AMIT:** has the meaning given to it in section 276-10 of the 1997 Act.

**AMIT Member Annual Statement:** has the meaning given to it in section 276-460 of the 1997 Act.

**Application Fee:** the application fee determined in accordance with clause 20.1(a).

**Applications Account:** an account in which the Manager or, if permitted, its agent holds money on trust for applicants of Units in accordance with section 1017E of the Corporations Act or otherwise.

**Application Amount:** in relation to an application for Units, the amount of the subscription moneys and/or property in respect of such application as determined in accordance with this constitution.

**Application Price:** the application price for a Unit calculated in accordance with clause 4 or clause 9.19.

**Application Securities:** in respect of a Creation Unit Amount of Units of an ETF Class, the portfolio of securities as determined by the Manager from time to time for the purposes of this definition (subject to any adjustments to the Application Securities as permitted by this constitution).

**ASIC:** the Australian Securities and Investments Commission or any regulatory body which replaces it or performs its functions.

**Assessable Income:** has the meaning given to it in subsection 995-1(1) of the 1997 Act.

**Assets:** all the property, rights and income of the Fund, but not application money or property in respect of which Units have not yet been issued, proceeds of redemption which have not yet been paid or any amount in a distribution account.

**ASX:** ASX Limited or a market operated by it as the context requires.

**ASX Operating Rules:** the official market rules of the ASX, as amended from time to time.

**Authorised Participant:** a person who satisfies the criteria determined by the Manager from time to time for the purposes of this definition. Where the Manager has not made such a determination, an Authorised Participant will be a 'wholesale client' as such term is defined in the Corporations Act who has entered into an authorised participant agreement with the Manager.

**Business Day:** a day other than a Saturday or a Sunday on which banks are open for general banking business in Sydney and Melbourne or such other day or days determined by the Manager.

**Class:** a class of Units as created in accordance with clause 3.11.

**Class Expenses:** in relation to a Class an expense, cost, fee or tax or a proportion of any expense, cost, fee or a tax determined by the Manager to be referable to a Class in accordance with clause 20.11.

**Collateral:** the security pledged pursuant to clauses 5.23 to 5.27 and 7.44 to 7.48.

**Compliance Committee Member:** a member of a compliance committee established by the Manager in connection with the Fund.

**Corporations Act:** the Corporations Act 2001 (Cwlth) including any applicable Relief.

**Creation Unit Amount:** a particular number of Units of an ETF Class, as determined by the Manager from time to time, for the purposes of this definition.

**CS Facility:** has the same meaning as clearing and settlement facility in the Corporations Act.

**CS Facility Operator:** the operator of a CS Facility.

**Distributable Amount:** means the amount (if any) determined in accordance with clause 9.5.

**Distribution Calculation Date:** the Financial Year Termination Date and such other days as the Manager designates.

**Distribution Entitlement:** means the entitlement to any Distributable Amount determined in accordance with clause 9.6.

**Distribution Period:**

- (a) for the first distribution period, the period from the establishment of the Fund to the next Distribution Calculation Date;
- (b) for the last distribution period, the period from the day after the preceding Distribution Calculation Date to the date of the distribution on winding up of the Fund; or
- (c) in all other circumstances, the period from the day after the preceding Distribution Calculation Date to the next occurring Distribution Calculation Date.

**ETF Class:** a Class of Units which has been, or which is intended by the Manager to be, listed for trading on a financial market.

**Exempt Income:** has the meaning given to it in subsection 995-1(1) of the 1997 Act.

**Financial Year:**

- (a) for the first financial year, the period from the establishment of the Fund to the next Financial Year Termination Date;
- (b) for the last financial year, the period from the day after the preceding Financial Year Termination Date to the date of distribution on winding up of the Fund; and
- (c) in all other circumstances, the period from the day after the preceding Financial Year Termination Date to the next occurring Financial Year Termination Date.



**Financial Year Termination Date:** 30 June or any other date the Manager determines.

**Fractional Unit:** a Unit designated upon issue as a Fractional Unit.

**Fund:** the trust constituted under or governed by this constitution.

**GST:** has the meaning given in section 195-1 of the A New Tax System (Goods and Services) Tax Act 1999 (Cth).

**Income:** the amount which the Manager determines to be the "net income" (as that term is defined in section 95(1) of the Tax Act) of the Fund for the Financial Year.

**Liabilities:** all present liabilities of the Fund including any provision which the responsible entity decides should be taken into account in determining the liabilities of the Fund but not liabilities:

- (a) attached to application money or property in respect of which Units have not yet been issued; or
- (b) arising by virtue of the right of Members to request redemption of their Units.

**Liquid:** has the same meaning as in the Corporations Act.<sup>39</sup>

**Manager:**

- (a) during the time (if any) from the commencement of the Fund until the Fund is registered with ASIC as a managed investment scheme, BlackRock Investment Management (Australia) Limited; and
- (b) from the time of registration of the Fund as a managed investment scheme with ASIC, the company registered with ASIC as the responsible entity for the Fund under the Corporations Act.

**Market:** the relevant market operated by the ASX.

**Member:** means:

- (a) the person Registered as the holder of a Unit (including persons jointly Registered) or otherwise stated to be a Member in accordance with clause 5.10 or any other provision of this constitution; or

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<sup>39</sup> See Part 5C.6 of the Corporations Act.

- (b) where required by the Corporations Act, a person determined under the Corporations Act for the time being as a member of the Fund.

**Mortgaged Units:** means Units in respect of which there is a Mortgagee.

**Mortgagee:** means any person who is noted as such on the Register pursuant to this constitution.

**Net Asset Value:** the value of the Assets calculated in accordance with clause 8 less the Liabilities.

**Non-assessable, Non-exempt Income:** has the meaning given to it in subsection 995-1(1) of the 1997 Act.

**Operating Income:** the gross income of the Fund from its operations including interest, dividends, distributions and otherwise less expenses arising in deriving that income including, but not limited to:

- (a) interest and other borrowing costs and any realised financial instrument gains or losses;
- (b) fees paid to the Manager; and
- (c) Tax paid by the Manager.

Operating Income does not include realised gains or losses on sale of investments or Allocated Redemption Income.

**Operating Rules:** the operating rules of a CS Facility regulating the settlement, clearing and registration of uncertified securities as amended from time to time (whether in respect of the Fund, a class of Units or generally).

**Over:** has the meaning given to it in sub-section 995-1(1) of the 1997 Act.

**Purchase Cash Component:** in respect of an application for Units, the amount determined in accordance with the following formula:

$$(AP \times N) - V$$

where:

AP is the Application Price of the Units which are the subject of the application;

N is the number of Units which are the subject of the application; and

V is the value of the securities to be transferred pursuant to clause 5.16, 5.17 or 5.21 to the Manager, or any person nominated by the Manager, in respect of the application at the Valuation Time at which the relevant Application Price is determined.

**Quoted:** authorised by the ASX to be traded on the Market and **Quotation** has a corresponding meaning.

**Redemption Fee:** the amount, if any, determined by the Manager under clause 20.1(b).

**Redemption Price:** the Unit price calculated in accordance with clause 6.

**Register:** the register of Members kept by or on behalf of the Manager under the Corporations Act.

**Registered:** recorded in the Register.

**Registration:** recording in the Register.

**Relevant Person:** a person who at any time is, was or becomes a Member and that person's executors, administrators and successors.

**Relief:** means any declaration or modification made or exemption granted by ASIC that is applicable to the Fund and that is in force and includes, without limitation, instruments of class order relief.

**Resolution:**

- (a) a resolution passed at a meeting of Members (or a meeting of Members holding a Class of Units) in the Fund:
  - (i) on a show of hands, by the Required Majority of Members present in person or by proxy and voting on the show of hands; or
  - (ii) on a poll, by the Required Majority of votes cast by Members present in person or by proxy and voting on the poll; or

- (b) where the law allows, a resolution in writing signed by Members holding the Required Majority of the Units in the Fund or in a Class in the Fund.

**Required Majority:** Except where this constitution or any applicable law provides otherwise, the “Required Majority” is a simple majority<sup>40</sup> in the case of an ordinary resolution and 75% in the case of a special resolution.

**Shortfall Application Securities/Purchase Cash Component:** has the meaning provided for by clause 5.23.

**Tax:** all kinds of taxes, duties, imposts, deductions and charges imposed by a government, including GST or any amount charged to or recovered from the Manager by way of reimbursement of GST or any amount included either expressly or impliedly in an amount paid or payable by the Manager on account of GST, together with interest and penalties.

**Tax Act:** the Income Tax Assessment Act 1936 (**1936 Act**), the Income Tax Assessment Act 1997 (**1997 Act**) or both the 1936 Act and 1997 Act, as appropriate.

**Tax Offset:** has the meaning given to it in sub-section 995-1(1) of the 1997 Act.

**Taxation Amount:** for a Member or a former Member (**Relevant Person**), an amount of Tax which is payable, or which is anticipated to become payable, by the Manager on its own account or out of the Fund and which is referable to the Relevant Person. A Taxation Amount includes an amount of Tax imposed on account of or in respect of:

- (a) the Relevant Person;
- (b) an amount paid or payable to the Relevant Person; or
- (c) a Unit held by the Relevant Person.

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<sup>40</sup> For voting on winding up by Members and choosing a new responsible entity see sections 601NB and 601FL of the Corporations Act.

**Terms of Issue:** in relation to a Unit means the terms and conditions on which that Unit is issued.

**Total Distributable Amount:** for a Financial Year and in relation to the Fund or a Class, the total Distributable Amount of the Fund or Class, as relevant, for each Distribution Period ending in the Financial Year (including a Distribution Period that ends on the last day of the Financial Year).

**Transaction Costs:**

- (a) when calculating the Application Price of a Unit, the Manager's total cost incurred in acquiring the Assets or the Manager's estimate of the total cost incurred in acquiring the Assets; and
- (b) when calculating the Redemption Price of a Unit, the Manager's total cost incurred in selling the Assets or the Manager's estimate of the total cost of selling the Assets,

provided that subject to the Corporations Act<sup>41</sup> the Manager may, including in connection with any particular application or request for redemption of Units, deem these costs to be a lesser sum or zero.

**Trust Component Deficit:** has the meaning given to it in sub-section 995-1(1) of the 1997 Act.

**Under:** has the meaning given to it in sub-section 995-1(1) of the 1997 Act.

**Unit:** subject to any rights, obligations and restrictions attaching to any particular Unit or Class of Units, an undivided share in the beneficial interest in the Fund as provided in this constitution.

**User Pays Fees:** any cost incurred in relation to:

- (a) an entitlement to a payment or a payment to or from the Fund in respect of a Member; or
- (b) any act or omission requested by a Member,

which the Manager considers should be borne by that Member.

**Valuation Time:** a time at which the Manager calculates Net Asset Value.

**Withdrawal Cash Component:** means, in respect of a redemption request for Units of an ETF Class, the amount determined in accordance with the following formula:

$$(N \times RP) - WS$$

<sup>41</sup> See section 601FC(1)(d) of the Corporations Act.

where:

N is the number of Units which are the subject of the redemption request;

RP is the Redemption Price for the Units which are the subject of the redemption request; and

WS is the value of the securities to be transferred pursuant to clauses 7.37, 7.39 or 7.42 to the Member, in respect of the redemption at the Valuation Time at which the Redemption Price is determined.

**Withdrawal Securities:** in respect of a Withdrawal Unit Amount of Units of an ETF Class, the portfolio of securities as determined by the Manager from time to time for the purposes of this definition.

**Withdrawal Unit Amount:** a particular number of Units of an ETF Class, as determined by the Manager from time to time, for the purposes of this definition.

## Interpretation

26.2 Unless the contrary intention appears, in this constitution:

- (a) terms defined in the Corporations Act are used with their defined meaning;
- (b) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements;
- (c) the singular includes the plural and vice versa;
- (d) the words “includes” or “including”, “for example” or “such as” when introducing a list of items do not exclude a reference to other items, whether or the same class or genus or not;
- (e) amend includes delete or replace;
- (f) person includes a firm, a body corporate, an unincorporated association or an authority;
- (g) the cover page, contents, headings, footnotes, marginal notes and finding lists are for convenience only and do not affect interpretation of this constitution;
- (h) a reference to a year (other than a Financial Year), quarter or month means a calendar year, calendar quarter or calendar month respectively; and

- (i) a reference to "law" includes the Corporations Act (where applicable) and any relevant Relief.

#### **Other documents**

- 26.3 A document does not become part of this constitution by reason only of that document referring to this constitution or vice versa, or any electronic link between them.

#### **Constitution legally binding<sup>42</sup>**

- 26.4 This constitution binds the Manager and each present and future Member and any person claiming through any of them in accordance with its terms (as amended from time to time) as if each of them had been a party to this constitution.
- 26.5 If all or part of any provision contained in this constitution is void or invalid or would otherwise result in all or part of this constitution being void or invalid for any reason, then such part is to be severed from this constitution without affecting the validity or operation of any other provision of this constitution.

#### **Governing law**

- 26.6 This constitution is governed by and will be construed according to the laws of the State of Victoria, Australia.

#### **Other obligations excluded**

- 26.7 Except as required by the Corporations Act all obligations of the Manager which might otherwise be implied or imposed by law or equity are expressly excluded to the extent permitted by law, including without limitation any obligation of the Manager in its capacity as trustee of the Fund arising under any statute.

#### **Conflicts**

- 26.8 For the purposes of this constitution, while the Fund is a registered scheme, if the provisions of the Corporations Act and this constitution conflict on the same matter, the provisions of the Corporations Act prevail to the extent of the conflict.

#### **Electronic documents**

- 26.9 The Manager may determine, in its absolute discretion, that any notice, communication or other document specified or referred to in this constitution may be provided or executed electronically in any manner determined by the Manager (including by way of digital signature).

## **27 Accounting Standards**

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Except as required in order to comply with Chapter 2M of the Corporations Act, the Manager need only apply generally accepted accounting principles or accounting

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<sup>42</sup> See section 601GB of the Corporations Act.

standards as generally accepted or in force immediately before 1 January 2005 in carrying out any calculation or making any determination in respect of the Fund.

## 28 ASX Operating Rules

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While any Units in the Fund are Quoted, the following provisions apply in respect of such Units:

- (a) despite anything contained in this constitution, if the ASX Operating Rules prohibit an act being done, the act will not be done;
- (b) nothing contained in this constitution prevents an act being done that the ASX Operating Rules require to be done;
- (c) if the ASX Operating Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Operating Rules require this constitution to contain a provision and it does not contain such a provision, this constitution is taken to contain that provision;
- (e) if the ASX Operating Rules require this constitution not to contain a provision and it contains the provision, this constitution is taken not to contain that provision; and
- (f) if any provision of this constitution is or becomes inconsistent with the ASX Operating Rules, this constitution is taken not to contain that provision to the extent of inconsistency.

## 29 Currency conversion

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Where the Manager is required to receive, pay, convert or apply any currency into or from Australian dollars, or from a currency other than Australian dollars into another currency, it may do so in such manner as it considers fair and appropriate.



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## Execution page

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**SIGNED** on behalf of **BLACKROCK  
INVESTMENT MANAGEMENT  
(AUSTRALIA) LIMITED ACN 006  
165 975** in accordance with section 127 of  
the Corporations Act 2001 (Cth) by:

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Signature of Director

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Signature of Director/ Company Secretary

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Name of Director

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Name of Director/Company Secretary