



## **NOTICE OF MEETINGS**

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### **ASIA PACIFIC DATA CENTRE HOLDINGS LIMITED**

ACN 159 621 735

### **ASIA PACIFIC DATA CENTRE TRUST**

ARSN 161 049 556

**Wednesday, 28 November 2018  
at 11:00am (Sydney time)**

**at**

**Herbert Smith Freehills  
Level 34, 161 Castlereagh Street  
Sydney NSW 2000**

## ASIA PACIFIC DATA CENTRE GROUP

### NOTICE OF MEETINGS

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Notice is given of the:

- Annual General Meeting of Members of **Asia Pacific Data Centre Holdings Limited** (ACN 159 621 735) ("**APDC Holdings**"); and
- General Meeting of Unitholders of **Asia Pacific Data Centre Trust** (ARSN 161 049 556) ("**APDC Trust**")

("Meetings")

which will be held concurrently at 11:00am (Sydney time) on Wednesday 28 November 2018 at **Herbert Smith Freehills, Level 34, 161 Castlereagh Street, Sydney NSW 2000 Australia.**

This Notice is issued by APDC Holdings and Asia Pacific Data Centre Limited (ACN 159 624 585) ("**APDC Limited**") as the responsible entity of the APDC Trust.

Clauses 28(d) and 22.3(bb) of the respective Constitutions of APDC Holdings and the APDC Trust provide that meetings of members of APDC Holdings and unitholders of the APDC Trust may be held in conjunction with each other while stapling of the shares in APDC Holdings to the units in the APDC Trust applies. Accordingly, where applicable, the Meetings will be meetings of Securityholders of both APDC Holdings and the APDC Trust ("**APDC**" or "**Group**").

The Resolutions set out in this Notice of Meetings should be read with the accompanying Explanatory Statement.

The Explanatory Statement to this Notice of Meetings provides additional information on the matters to be considered at the Meetings. The Explanatory Statement and the Proxy Form are part of this Notice of Meetings.

## ORDINARY BUSINESS

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### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the:

- (a) Annual Financial Statements;
- (b) Directors' Report; and
- (c) Independent Auditor's Report,

for APDC Holdings and its controlled entities and APDC Trust for the financial year ended 30 June 2018 ("**Annual Report**").

A copy of the Group's 2018 Annual Report and Corporate Governance Statement is accessible from the APDC website at [www.asiapacificdc.com](http://www.asiapacificdc.com).

Unless the Group's security registry has been notified otherwise, Securityholders have not been sent a hard copy of the Annual Report.

A resolution of Securityholders is not required for this item of business.

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### 2. ITEMS FOR SECURITYHOLDER APPROVAL

Each of Resolutions 1-4 inclusive in this Notice relates only to **APDC Holdings**. While the shares in APDC Holdings and the units in APDC Trust are stapled securities, the Corporations Act 2001 (Cth) does not require any of these resolutions to be approved by the unitholders of APDC Trust.

#### Resolution 1 – Remuneration Report

To consider and, if thought fit, to pass the following as an advisory resolution of APDC Holdings:

*"That, the Remuneration Report (which forms part of the Directors' Report) for Asia Pacific Data Centre Holdings Limited for the year ended 30 June 2018 be adopted."*

The Remuneration Report is set out in the 2018 Annual Report. Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) ("**Corporations Act**"), the vote on this resolution is advisory only, and does not bind the Directors of APDC Holdings. However, if 25% or more of the votes cast on this resolution are against the resolution, the conditional spill resolution below (see Resolution 2) will be put to shareholders for their consideration and vote.

#### *Voting exclusion*

APDC Holdings will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the "Voting Exclusions Statement" section of this Notice of Meeting.

#### Resolution 2 – Conditional Spill Resolution

**Important Note – this resolution is only required if 25% or more of votes cast vote against Resolution 1.**

If required, to consider and, if thought fit, to pass as an ordinary resolution of APDC Holdings:

*"That, subject to and conditional on at least 25% of the votes cast on Resolution 1 being cast against the Remuneration Report:*

- (a) *an extraordinary general meeting of the members of Asia Pacific Data Centre Holdings Limited (**Company**) (the **Spill Meeting**) be held within 90 days of the passing of this resolution;*

- (b) *all of the non-executive Directors of the Company in office when the Board resolution to approve the Directors' Report for the financial year ended 30 June 2018 was passed (being David van Aanholt, Lawrence Gibbs and John Wilson) and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (c) *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

**Note:** If this resolution is passed with 50% or more of votes, then the Spill Meeting must take place within 90 days. On 18 October 2018, David van Aanholt, Lawrence Gibbs and John Wilson resigned from their positions as directors of the Company and they will be replaced by Douglas Flynn, Craig Scroggie and Stuart Davis.

*Voting exclusion*

APDC Holdings will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the "Voting Exclusions Statement" section of this Notice of Meeting.

**Resolution 3 –Election of Douglas Flynn as Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of APDC Holdings:

*"That, Douglas Flynn, who was appointed by the Board in accordance with clause 46(b) of the Constitution of Asia Pacific Data Centre Holdings Limited to fill the vacancy created by the resignation of Lawrence Gibbs as a director in accordance with clause 48(b) of the Constitution of Asia Pacific Data Centre Holdings Limited on 18 October 2018, and having offered himself for election and being eligible, is elected as a Director of Asia Pacific Data Centre Holdings Limited."*

**Resolution 4 –Election of Craig Scroggie as Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of APDC Holdings:

*"That, Craig Scroggie who was appointed by the Board in accordance with clause 46(b) of the Constitution of Asia Pacific Data Centre Holdings Limited to fill the vacancy created by the resignation of John Wilson as a director in in accordance with clause 48(b) of the Constitution of Asia Pacific Data Centre Holdings Limited on 18 October 2018, and having offered himself for election and being eligible, is elected as a Director of Asia Pacific Data Centre Holdings Limited."*

**Resolution 5 –Election of Stuart Davis as Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of APDC Holdings:

*"That Stuart Davis, who was appointed by the Board in accordance with clause 46(b) of the Constitution of Asia Pacific Data Centre Holdings Limited to fill the vacancy created by the resignation of David van Aanholt as a director in in accordance with clause 48(b) of the Constitution of Asia Pacific Data Centre Holdings Limited on 18 October 2018, and having offered himself for election and being eligible, is elected as a Director of Asia Pacific Data Centre Holdings Limited."*

**Resolution 6 in this Notice relates only to APDC Trust. While the shares in APDC Holdings and the units in APDC Trust are stapled securities, the Corporations Act 2001 (Cth) does not require this resolution to be approved by the members of APDC Holdings.**

**Resolution 6 – Replace the Responsible Entity**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of APDC Trust:

*"That, for purposes of section 601FL of the Corporations Act, and for all other purposes, One Managed Investment Funds Limited (ABN 47 117 400 987 AFSL 297042) be appointed as the responsible entity of the Asia Pacific Data Centre Trust ARSN 161 049 556 (**Scheme**), to replace Asia Pacific Data Centre Limited (ABN 19 159 624 585) with effect from the date that is stated as the date of change when the company named in the Australian Securities and Investments Commission's record of the responsible entity of the Scheme is altered."*

**Voting Exclusion Statement in relation to Resolutions 1 and 2**

A vote on Resolutions 1 and 2 must not be cast (in any capacity) by, or on behalf of, the following persons:

- (a) a member of the Key Management Personnel ("**KMP**") whose remuneration details are included in the 2018 Remuneration Report; or
- (b) a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 1 or Resolution 2 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- (b) the vote is cast by the chair of the meeting and the appointment of the chair as proxy:
  - (i) does not specify the way the proxy is to vote on the resolution; and
  - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

By order of the Directors of Asia Pacific Data Centre Holdings Limited and Asia Pacific Data Centre Limited as responsible entity for Asia Pacific Data Centre Trust.

Michael Helmer  
Company Secretary  
Asia Pacific Data Centre Holdings Limited  
29 October 2018

Sarah Wiesener  
Company Secretary  
Asia Pacific Data Centre Limited  
29 October 2018

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## INFORMATION FOR SECURITYHOLDERS

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### Entitlement to Attend and to Vote

In accordance with the Corporations Regulations 2001 (Cth), the Directors of APDC Holdings have determined that the stapled securities on issue as at **7.00pm (Sydney time) on Monday 26 November 2018** will be taken, for the purposes of the Meetings, to be held by the persons who held them at that time. This means that any Securityholder registered at 7.00pm (Sydney time) on Monday 26 November 2018 is entitled to attend and vote at the Meetings.

If more than one joint holder of stapled securities is present at the Meetings (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

### Voting by Proxy

If you are a Securityholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Meetings.

A proxy need not be a Securityholder of APDC Group. If the Chairman of the Meeting is appointed as proxy, the Chairman intends to vote undirected proxies in favour of Resolutions 1, 3, 4 and 5. The Chairman intends to vote all available votes against Resolution 2. This is the Chairman's intention as at the date of this Notice only and the Chairman reserves the right to change this intention, which (if there is a change) will be disclosed by way of further announcement on ASX by no later than 21 November 2018.

A Securityholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the Securityholder does not specify the proportion or number of votes to be exercised, each proxy may exercise one-half of the Securityholder's votes.

To be effective, the proxy must be received at the security registry of APDC Group no later than 11.00am (Sydney time) on Monday, 26 November 2018. Proxies must be received before that time by one of the following methods:

Online	<a href="http://www.linkmarketservices.com.au">www.linkmarketservices.com.au</a>
By post:	Link Market Services Limited Locked Bag A14 Sydney South NSW 1235
By facsimile:	In Australia (02) 9287 0309 From outside Australia +61 2 9287 0309
By delivery:	Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138

Instructions to complete the Proxy Form are on the Proxy Form attached to this Notice of Meeting.

### Proxy voting on Items 1 and 2 (Remuneration Report and Conditional Spill Resolution)

The KMP of APDC Holdings (which includes each of the directors and executives named in the Company's 2018 Remuneration Report) and their closely related parties will not be able to vote as your proxy on Resolutions 1 and 2 unless you tell them how to vote, or the Chairman of the meetings is your proxy. If you intend to appoint a member of the KMP or one of their closely related parties as your proxy, please ensure that you direct them how to vote on Resolutions 1 and 2 otherwise they will not be able to cast a vote as your proxy on those items. If you appoint the Chairman of the meetings as your proxy, you can direct him how to vote by marking one of the

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boxes for Resolutions 1 and 2 (i.e. to vote “for”, “against” or “abstain”). If you appoint the Chairman of the meetings as your proxy or the Chairman of the meeting is appointed as your proxy by default, but you do not mark a voting box for Resolutions 1 and 2, you will be taken to have expressly authorised the Chairman of the meeting to exercise the proxy in respect of that item even though the items are connected with the remuneration of the KMP.

### **Voting by Attorney**

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by APDC or Link Market Services Limited no later than 11.00am (Sydney time) on Monday 26 November 2018, being 48 hours before the Meetings.

### **Corporate Representatives**

A body corporate which is a Securityholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Meetings. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the Meetings a properly executed letter or other document confirming its authority to act as the company’s representative.

### **Quorum**

The quorum for a meeting of both APDC Holdings and APDC Trust is at least two members present in person or by representative holding ordinary securities. If a quorum is not present within 30 minutes after the scheduled time for the Meetings, the Meetings will be adjourned as APDC Holdings directs.

### **Chairman**

Mr Craig Scroggie, Chairman of the Board of Directors of APDC Holdings, will preside as Chairman of the Annual General Meeting of APDC Holdings. The responsible entity of APDC Trust has appointed Mr Craig Scroggie as Chairman of the General Meeting of APDC Trust.

### **Majority Required to pass Resolutions**

All items of business involving a vote by a Securityholder require ordinary resolutions, which means that, to be passed, the item needs the approval of a simple majority of the votes cast by Securityholders entitled to vote on the resolution.

### **Questions and Comments**

The Chairman will give Securityholders a reasonable opportunity to ask questions about or comment on the management of the Group.

The Chairman will also give Securityholders a reasonable opportunity to ask the Independent Auditor questions relevant to the:

- (a) conduct of the audit;
- (b) preparation and content of the Independent Auditor’s Report;
- (c) accounting policies adopted by the Group in relation to the preparation of the financial statements; and
- (d) independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by Securityholders that are relevant to the content of the Independent Auditor’s Report or the conduct of the audit.

### **Submission of Written Questions to APDC Group or Auditor**



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If you wish a question to be put to the Chairman of the Meetings or the Auditor and you are not able to attend the Meetings please email your question to the Company Secretary at [info@asiapacificdc.com](mailto:info@asiapacificdc.com).

To allow time to collate questions and prepare answers, questions must be received by the Company Secretary of APDC Holdings by 5:00pm (Sydney time) on Friday, 23 November 2018.

A list of written questions submitted by Securityholders to the Auditor will be made available at the start of the Meetings and any written answer tabled by the Auditor at the Meetings will be available as soon as practicable after the Meetings.

While the Chairman of the Meetings will endeavour to address as many of the more frequently raised Securityholder topics as possible during the Meetings, there may not be sufficient time available to address all topics raised. Please note that individual responses to questions raised will not be sent to Securityholders.

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Securityholders of APDC in connection with the business to be conducted at the 2018 Annual General Meeting of APDC Holdings ("**2018 AGM**") and at the General Meeting of APDC Trust to be held concurrently at 11:00am (Sydney time) on Wednesday 28 November 2018 at Herbert Smith Freehills, 161 Castlereagh Street, Sydney NSW 2000.

The purpose of this Explanatory Statement is to provide information the Directors believe to be important to Securityholders in deciding whether or not to pass the Resolutions at the Meetings.

Resolutions 1, 2, 3, 4 and 5 in this Notice relates only to **APDC Holdings**. While the shares in APDC Holdings and the units in APDC Trust are stapled securities, the Corporations Act does not require any of these resolutions to be approved by the unitholders of APDC Trust.

Resolution 6 in this Notice relates only to **APDC Trust**. While the shares in APDC Holdings and the units in APDC Trust are stapled securities, the Corporations Act does not require Resolution 6 to be approved by the members of APDC Holdings.

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### Resolution 1 – Adoption of Remuneration Report

The purpose of this Resolution is to adopt the Remuneration Report for the year ended 30 June 2018.

Section 250R(2) of the Corporations Act requires the section of the Directors' Report dealing with the remuneration of KMP (including Directors) ("**Remuneration Report**") be put to the vote of Securityholders for adoption by way of a non-binding vote.

At the 2017 AGM, more than 25% of eligible Securityholders voted against the 2017 Remuneration Report. This means that APDC Holdings received a "first strike" under the executive remuneration laws.

It is noted that 2017 Remuneration Report related to the previous management and directors.

If there is a vote of 25% or more against the 2018 Remuneration Report at the 2018 AGM, then a resolution will be put to Securityholders at the 2018 AGM as to whether another meeting of the members of APDC Holdings should be held within 90 days ("**Spill Meeting**") at which the all Directors of APDC Holdings (other than the Managing Director (if any)) who were Directors at the time the 2018 Remuneration Report was approved by the Directors (being David van Aanholt, Lawrence Gibbs and John Wilson) will cease to hold office and resolutions to appoint persons to those offices may be put to a vote ("**Spill Resolution**").

If the Spill Resolution passes, then APDC Holdings must hold a Spill Meeting within 90 days of the 2018 AGM at which all Directors of APDC Holdings (other than the Managing Director (if any)) who were Directors at the time the 2018 Remuneration Report was approved by the Directors will retire and resolutions to appoint persons to those offices may be put to a vote. Given that David van Aanholt, Lawrence Gibbs and John Wilson are no longer Directors of APDC Holdings, a Spill Meeting, if required, would not result in a change to the Directors.

The Remuneration Report details the remuneration policy of APDC Holdings and:

- reports the remuneration arrangements for the Executive Director and Non-Executive Directors;
- explains Board policies in relation to the nature and value of remuneration paid to the Executive Director and Non-Executive Directors; and
- discusses the relationship between the policy and APDC's performance.

The Remuneration Report is available in the Group's 2018 Annual Report which is available at [www.asiapacificdc.com](http://www.asiapacificdc.com).

The Chairman will give Securityholders a reasonable opportunity to ask questions about or make comments on the 2018 Remuneration Report.

**Directors Recommendation:** *The Directors of APDC Holdings unanimously recommend that Securityholders vote **in favour** of the adoption of the 2018 Remuneration Report.*

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## **Resolution 2 – Conditional Spill Resolution**

**IMPORTANT NOTE:** This Resolution is a 'conditional' resolution and will only be put to the Meetings if more than 25% of votes validly cast on Resolution 1 are cast against that Resolution.

The Corporations Act requires that if more than 25% of votes validly cast against the adoption of the Remuneration Report at two consecutive annual general meetings, then a resolution must be put to Securityholders at the second annual general meeting substantially in the form of Resolution 2.

Accordingly, if 25% or more of the votes cast on Resolution 1 are against the resolution to adopt the 2018 Remuneration Report then APDC Holdings will receive a "second strike". Under the executive remuneration laws, it will then be necessary for the Board of APDC Holdings to put Resolution 2 to the Meetings.

If Resolution 2 is put to the Meetings and is passed, then a special general meeting of APDC Holdings (known as a "**Spill Meeting**") must be held within 90 days of the date of the 2018 AGM to consider the composition of the Board of APDC Holdings. If a Spill Meeting is required, the date of the meeting will be notified to Securityholders in due course. If a Spill Meeting is held, no directors will be required to vacate office at the conclusion of the Spill Meeting, as the directors who were directors at the time the 2018 Remuneration Report was approved by the Directors (being David van Aanholt, Lawrence Gibbs and John Wilson) have already retired from office.

**Directors Recommendation:** *The Directors of APDC Holdings unanimously recommend that Securityholders vote **against** this Resolution 2 if it is put to the Meetings on the basis that it would be extremely disruptive to the Group and, in the view of the Board, it would be inappropriate to remove all non-executive directors of APDC Holdings in the circumstances.*

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## **Resolution 3 – Election of Douglas Flynn as Director**

The ASX Listing Rules require that an entity holds an election of Directors at least once per year.

In addition, the ASX Listing Rules and APDC Holdings' Constitution both require that a Director be appointed by the Board to fill a vacancy created by a resignation must at the next annual general meeting occurring after that appointment and where eligible be re-elected at that meeting. Douglas Flynn will be appointed in accordance with clause 46(b) of the APDC Holdings' Constitution to fill the vacancy created by the resignation of Lawrence Gibbs as a director by the Board of APDC Holdings on 18 October 2018. In accordance with clause 46(c) of the APDC Holdings' Constitution Mr Flynn, being eligible, offers himself for re-election as a Director.

Mr Flynn is a non-executive Director of APDC Holdings.

Mr Flynn has over 30 years of international experience in the media and information and communication technologies industries. Mr Flynn is also the Chairman of ASX-listed companies, NEXTDC Limited, APN Outdoor and Konekt Limited.

**Directors Recommendation:** *The Directors of APDC Holdings, with Mr Douglas Flynn abstaining, unanimously recommend that Securityholders vote **in favour** of this Resolution.*

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#### **Resolution 4 – Election of Craig Scroggie as Director**

The ASX Listing Rules require that an entity holds an election of Directors at least once per year.

In addition, the ASX Listing Rules and APDC Holdings' Constitution both require that a Director be appointed by the Board to fill a vacancy created by a resignation must at the next annual general meeting occurring after that appointment and where eligible be re-elected at that meeting. Craig Scroggie will be appointed in accordance with clause 46(b) of the APDC Holdings' Constitution and fills the vacancy created by the resignation of John Wilson as a director by the Board of APDC Holdings on 18 October 2018. In accordance with clause 46(c) of the APDC Holdings' Constitution, Mr Scroggie being eligible, offers himself for re-election as a Director.

Mr Scroggie is a non-executive Director of APDC Holdings.

Mr Scroggie has substantial leadership experience within the IT and telecommunications industries having held senior positions with Symantec, Veritas Software, Computer Associates, EMC Corporation and Fujitsu. Mr Scroggie is also the CEO of ASX-listed NEXTDC Limited.

**Directors Recommendation:** *The Directors of APDC Holdings, with Mr Craig Scroggie abstaining, unanimously recommend that Securityholders vote **in favour** of this Resolution.*

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#### **Resolution 5 – Election of Stuart Davis as Director**

The ASX Listing Rules require that an entity holds an election of Directors at least once per year.

In addition, the ASX Listing Rules and APDC Holdings' Constitution both require that a Director be appointed by the Board to fill a vacancy created by a resignation must at the next annual general meeting occurring after that appointment and is eligible be re-elected at that meeting. Stuart Davis will be appointed in accordance with clause 46(b) of the APDC Holdings' Constitution and fills the vacancy created by the resignation of David van Aanholt as a director by the Board of APDC Holdings on 18 October 2018. In accordance with clause 47(c) of the APDC Holdings' Constitution, Mr Davis being eligible, offers himself for re-election as a Director.

Mr Flynn is a non-executive Director of APDC Holdings.

Mr Davis was an international banker with over 30 years of experience with HSBC Group, including roles in Hong Kong, New York, Taiwan, India and Australia. Mr Davis is also an independent non-executive director and the Chairman of the Audit & Risk Management Committee of ASX-listed NEXTDC Limited.

**Directors Recommendation:** *The Directors of APDC Holdings, with Mr Stuart Davis abstaining, unanimously recommend that Securityholders vote **in favour** of this Resolution.*

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#### **Resolution 6 – Replacing the Responsible Entity**

Asia Pacific Data Centre Limited (ABN 19 159 624 585, AFSL 426503) (**Retiring RE**) is the current responsible entity of the APDC Trust.

The immediate parent company of the Retiring RE is One Investment Group Pty Ltd (ACN 136 507 241), the ultimate parent of which is OIG Holdings Pty Ltd (ACN 616 297 940) (**OIG**).

One of the business activities of One Managed Investment Funds Limited (ABN 44 117 400 987) (**OMIFL**) is to act as responsible entities of registered managed investment schemes.

Like the Retiring RE, OMIFL is a subsidiary of OIG. In addition:

- (a) the directors of each of the Retiring RE and of OMIFL are identical; and
- (b) the Retiring RE and OMIFL are related body corporates for the purposes of section 50 of the Corporations Act 2001.

The Retiring RE wishes to retire as the responsible entity of APDC Trust in favour of its related body corporate OMIFL because:

- (a) as a responsible entity of a registered managed investment scheme, the Retiring RE is required to meet many financial and other obligations irrespective of the fact that it is part of a group that has other members who operate as responsible entity of registered managed investment schemes, such as OMIFL. Significantly, the Retiring RE must maintain its net tangible assets (**NTA**) position in accordance with applicable laws. OMIFL meets not only the NTA financial requirements to operate the schemes of which it is the responsible entity but also to act as a self-custodian (by maintaining NTA of not less than \$10 million), and the Retiring RE considers that within the OIG group it would be a more efficient use of capital to have OMIFL act as the responsible entity and thus avoid an unnecessary duplication of capital by operating both the Retiring RE and OMIFL;
- (b) a change in the responsible entity of APDC Trust to OMIFL would provide a benefit to members in that the role of the responsible entity would be undertaken by OMIFL that has a stronger balance sheet than that of the Retiring RE; and
- (c) the personnel operating APDC Trust (and indeed the Retiring RE itself) are the same personnel who operate other registered managed investment schemes operated by members of the OIG group to which both the Retiring RE and OMIFL belong. Nevertheless, as a separate responsible entity within the group and as the holder of a separate AFSL, it is necessary that a number of duties, obligations and responsibilities be carried out by the Retiring RE itself, albeit that this results in duplication and attendant costs and expenses, as well as impacting on the allocation of resources and expenditure of time. It is considered that administrative efficiency will be achieved, for the benefit of the unitholders of APDC Trust, should the proposed change to OMIFL, a related body corporate of the Retiring RE, proceed.

OMIFL has agreed to act as the responsible entity of APDC Trust and is authorised by its Australian Financial Services Licence to do so. OMIFL intends to operate APDC Trust in the same manner as the Retiring RE including, with no changes to service providers.

The legal costs of the transition will be paid by One Investment Group and not from APDC Trust or APDC.

If approved, the Retiring Responsible Entity will notify ASIC that the date of effect of the change of the responsible entity of APDC Trust is 29 November 2018. However, the change will not become effective until ASIC updates its register, which may occur on or after this date.

*Directors Recommendation: The Directors of the Retiring RE unanimously recommend that Securityholders vote in favour of this Resolution.*