

Sydney

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Dear Investor

**Notice of termination of the Kinetic Wholesale Smaller Companies Fund
APIR Code: HBC0006AU**

We are writing to you with regard to the Kinetic Wholesale Smaller Companies Fund (APIR Code: HBC0006AU) (**Fund**).

Fidante Partners Limited became responsible entity of the Fund in 2005 as part of the HSBC Asset Management (Australia) Limited acquisition. As part of the transition in 2005, we undertook a detailed review of our overall product range available to investors. As a result of this review, it was decided that the Fund would close to new and additional investments on 30 June 2005. This closure, combined with the Fund experiencing a steady decline in funds under management over recent years, means the Fund is now too small to meet its investment objective and provide adequate diversification. As a result we, as responsible entity of the Fund, determined it was in the best interests of unitholders to terminate the Fund with a termination date of 29 May 2015.

No change to Kinetic Wholesale Emerging Companies Fund

Please note, there is no change to Kinetic's flagship fund, Kinetic Wholesale Emerging Companies Fund (APIR Code: HOW0036AU). The Emerging Companies Fund was established in 2007. It remains open to new investments and continues to be well recognised by various ratings agencies. For up-to-date information on the Emerging Companies Fund, including recent performance returns, please visit our website www.fidante.com.au/im/KineticECF.htm

Wind up process

We have begun an orderly process to sell the assets of the Fund and expect the liquidation of assets to be completed over the coming weeks. Once the liquidation is complete, we will return the final net proceeds to you as soon as practicable. We will notify you of when this is expected to be completed and provide an update on when the breakdown of components of this payment will be available via our website www.fidante.com.au/im/KineticWSCF.htm.

What does this mean for you?

Effective 29 May 2015, and during the wind up process, we are unable to accept reinvestment of distributions or redemption requests from investors. The Fund was closed to new and additional investments in 2005. We will continue to act in the best interests of unitholders in the Fund and in accordance with the Fund's constitution.

Please note that until all portfolio assets have been sold and the proceeds are all held in cash, the Fund will remain subject to market movements. During the wind up process, the Fund is expected to hold an increasing component of cash.

Further information

We thank you for your patience throughout the wind up of the Fund. If you have any questions regarding the Fund or the wind up process, please contact your financial adviser, visit our website www.fidante.com.au or call our Investor Services team on 13 51 53 or +61 2 9994 7000 from outside Australia during Sydney business hours.

Yours sincerely



Will O'Reilly
Head of Client Services
Fidante Partners

