



4 November 2013

Our Ref: RCL\_8974r16 (CPF 601NC).doc

## **CIRCULAR TO INVESTORS IN THE LM CASH PERFORMANCE FUND**

Dear Sir/Madam

### **RE: LM Investment Management Limited (In Liquidation) (Receivers & Managers Appointed) ACN 077 208 461 as the Responsible Entity of the LM Cash Performance Fund (“CPF”)**

I refer to the appointment of John Park and I as joint and several administrators to LM Investment Management Limited (In Liquidation) (Receivers & Managers Appointed) (“LM”) on 19 March 2013 and to our subsequent appointment as Liquidators on 1 August 2013.

Since its establishment, LM has monitored and evaluated the performance of the CPF against its investment strategy and objectives. The CPF was established in 1999 with the objective of investing in cash deposits with Australian institutions to provide a competitive return to investors and ready access to funds.

Against this background, we believe that the objective of CPF has been achieved and have resolved that the CPF be wound up in accordance with its’ constitution.

### **STRATEGY**

The fund held cash in a mixture of fixed term and at-call deposits. With the decline in interest rates and the very small size of the fund (<\$1 million), the earnings are at risk of being consumed by normal fund external costs such as accounting / audit and regulatory fees. It was due to these aspects together with the overall wind-down status of the other LM funds that it was felt it would be more beneficial to investors to return these deposits and wind-up the LM Cash Performance Fund.

### **WIND-UP NOTICE**

LM Investment Management Limited (In Liquidation) ACN 077 208 461, AFS Licence Number 220281 (LM) as responsible entity of CPF, considers that the purpose of the CPF has been achieved. LM has therefore attached a Notice under Section 601NC of the Corporations Act, 2001 of a proposal to wind-up the CPF. Please read this Notice, in conjunction with this letter, in order to understand the wind-up proposal and your rights as an investor.

Through the overall management of the Liquidators and the existing retained management of LM, the Liquidators will proceed to take steps to wind up the CPF and promptly return funds to investors.

**FTI Consulting (Australia) Pty Limited**  
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#### UPDATING YOUR ACCOUNT DETAILS

Should you have updated your bank account details since you last received a distribution, please ensure you complete the **\*attached** form to update your account details. The completed form should be forwarded to [mail@lmaustralia.com](mailto:mail@lmaustralia.com) **no later than 30 November 2013** to ensure funds are received into your nominated account when distribution are made.

Regular updates will be provided on the Liquidators dedicated website [www.lminvestmentadministration.com](http://www.lminvestmentadministration.com).

If you have any queries in relation to this notice, please send an email with your query to [enquiries@lminvestmentadministration.com](mailto:enquiries@lminvestmentadministration.com).

Yours faithfully

**FTI Consulting**



**Ginette Muller**  
Liquidator

**\*Attach.**



## NOTICE UNDER SECTION 601NC OF THE CORPORATIONS ACT, 2001 OF A PROPOSAL TO WIND-UP

LM Investment Management Limited (In Liquidation) ACN 077 208 461, AFS Licence Number 220281 (LM) is the responsible entity of the LM Cash Performance Fund (“CPF”) ARSN 087 304 032 in this notice called CPF.

As the Responsible Entity (RE) of CPF, LM considers that the purpose of CPF has been accomplished. LM therefore gives this notice to investors of the CPF pursuant to section 601NC of the Corporations Act, 2001.

### EXPLANATION OF PROPOSAL

The purpose of the CPF was to invest in cash deposits with Australian institutions to provide a competitive return to investors and ready access to funds.

LM considers that the objective of the fund has been met.

### RIGHTS OF INVESTORS

Investors in CPF have the right under Division 1 of Part 2G.4 of the Corporations Act 2001 (Cth) to call for an investors’ meeting to consider the proposed winding-up of the CPF and to vote on any extraordinary resolution investors propose about the winding-up of the CPF.

Investors may request LM to call an investors’ meeting. Alternatively, investors may call an investors’ meeting.

#### LM calling a meeting on the request of investors

Under section 252B of the Corporations Act, LM must call and arrange to hold a meeting of investors to consider and vote on any extraordinary resolution the investors propose about the winding up of their fund on the request of:

- (a) investors with at least 5% of the votes that may be cast on the resolution; or
- (b) at least 100 investors who are entitled to vote on the resolution.

The request must be in writing, state any extraordinary resolution to be proposed at the meeting, and be signed by the investors proposing to move the extraordinary resolution.

The request may be accompanied by a statement about the proposed extraordinary resolution provided by the investors making the request. Separate copies of a document setting out the request and statement (if any) may be used for signing by investors if the wording of the request and statement (if any) is identical in each way.

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### Calling of meeting by investors

Under section 252D of the Corporations Act, investors with at least 5% of the votes that may be cast at a meeting of investors may at their own cost call and arrange to hold a meeting of investors to consider and vote on any extraordinary resolution the investors propose about the winding up of their fund.

The investors calling the meeting must pay the expenses of calling and holding the meeting. The meeting must be called in the same way, so far as possible, in which meetings of the CPF's investors may be called by LM as the RE.

### Extraordinary resolution

An extraordinary resolution is a resolution of which notice (as set out in paragraph 252J(c) of the Corporations Act) has been given and that has been passed by at least 50% of the total votes that may be cast by investors entitled to vote on the resolution (including investors who are not present in person or by proxy).

## **WHAT MUST YOU DO**

**If you want the CPF to be wound up, then you do not need to do anything.**

**If you do not want the CPF to be wound up, then you may request a meeting of investors be held as outlined above. Unless LM receives sufficient requests from investors calling for a meeting then 28 days from the date this notice is given to investors, LM can commence the winding up of the CPF.**

## **IF NO MEETING IS CALLED**

LM, as the RE of the CPF, is permitted to commence the winding up of the CPF unless a meeting is called to consider the proposed winding up of the fund within 28 days of LM giving this notice to investors.

## **IMPACT OF WINDING UP OF THE CPF**

Winding up CPF will entail the closing out of deposits with Australian institutions and a distribution of the funds to investors.

There may be tax consequences of the winding-up of the CPF and any distributions to investors. You should discuss these consequences with your tax advisor.

Regular updates will be provided on the Liquidators dedicated website [www.lminvestmentadministration.com](http://www.lminvestmentadministration.com).

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If you have any queries in relation to this notice, please send an email with your query to [enquiries@lminvestmentadministration.com](mailto:enquiries@lminvestmentadministration.com).

Yours faithfully  
**FTI Consulting**

A handwritten signature in blue ink, appearing to be 'Ginette Muller', written in a cursive style.

**Ginette Muller**  
**Liquidator**



**1. Please provide your name(s) and Investor ID number or Investor Account ID**

Investor ID

Or Investor Account ID

**INVESTOR 1**

Mr / Ms / Mrs / Miss / Other

Given Names

Surname / Company / Super Fund / Other

**INVESTOR 2 (joint holdings only)**

Mr / Ms / Mrs / Miss / Other

Given Names

Surname / Company / Super Fund / Other

**2. Please ONLY complete this section if your details have changed**

Address

State    Postcode

Country

Email

Phone (Home)

Facsimile

Phone (work, mobile, other)

Please indicate your preferred method of receiving correspondence

Email  Post OR  All correspondence to Adviser only

**Please note: If you are not a resident from the countries below\*, please provide a certified copy of a utility bill, bank statement, or other evidence (no more than three months old) confirming new address.**

- > \*Australia
- > Netherlands
- > Japan
- > Luxembourg
- > New Zealand
- > Switzerland
- > UK
- > Portugal
- > Denmark
- > Hong Kong
- > Belgium
- > Singapore
- > Ireland
- > USA
- > Sweden
- > Austria
- > France
- > Canada
- > Germany
- > Spain

**3. Additional Information**

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**4a. Nominated Bank Account Details (Australian Bank account) please only complete if your details have changed**

BSB Number

Account Number

Bank/Building Society/Credit Union

Branch

Account name

Payment of Monthly Interest on acct no.

**4b. Nominated Bank Account Details (International Bank account) please only complete if your details have changed**

Account Name

Beneficiary Account Number

Beneficiary Bank Name

Beneficiary Bank Address

Swift Code

Sort Code

Routing Code/Fedwire (US Banks Only)

IBAN Number (Mandatory for all EU bank accounts)

Intermediary Bank Name (For overseas bank accounts using an intermediary bank, if applicable)

Intermediary Bank Address

Intermediary Swift Code

Intermediary Sort Code

Intermediary Account Number

**Where the nominated bank account name is different to the investment name, please advise why funds are to be credited to a third party. This will not be processed unless the details are complete and LM is satisfied with the legitimacy of the third party details.**

**4c. Signature Required for Bank Account Details**

For your investment protection, please sign the below to ensure we pay only to your nominated account to alleviate any possible fraudulent activity.

I/we confirm this is my/our nominated bank account for payment of funds.

Signature of Investor 1 / Company Officer

Date

Signature of Investor 2 / Company Officer

Date



## 5. Signing Area

### Terms and Conditions for Faxed and Scanned Images

I/We understand that a person without my/our authority could send LM Investment Management Ltd (Administrators Appointed) (LM) a fax or scanned image, and by pretending to be me/us, transfer or withdraw funds from my/our account for their own benefit or request any other changes to my/our account. In using fax or scan facilities, I/we agree that LM is not responsible to me/us for any fraudulently completed communications and that LM will not compensate me/us for any losses. I/We agree that should such a fraud take place I/we release and indemnify LM against any liabilities whatsoever arising from LM acting on any communication received by fax or scanned image in respect of my/our investment. LM will not be liable for any loss or delay resulting from the non-receipt of any transmission. These terms and conditions are in addition to any other requirements that may form part of my/our giving instructions relating to the completion of a particular authority. By sending LM a fax or scanned image I/we signify my/our acceptance of these conditions.

### Additional

I/We authorise LM Investment Management Ltd (Administrators Appointed) to act on change of details on my investment as noted in this form. I/We declare the information in this form is true and correct and supersedes any previous instructions.

**Signature of Investor 1 / Company Officer**

Date



**Signature of Investor 2 / Company Officer**

Date



This must be signed by all signatories to the investment. E.g. If it is a joint investment, both parties must sign, and if it is a company investment, two directors or a director and secretary must sign.

### Preferred Method of Contact

Phone

Mobile

Fax

Email

Adviser Stamp / Adviser Details



Please send completed form to LM Investment Management Ltd:

**Mail to:** PO Box 923 Surfers Paradise QLD 4217 Australia  
**Fax to:** +61 7 5592 4116  
**Scan and Email to:** [investmentservices@LMaustralia.com](mailto:investmentservices@LMaustralia.com)  
**Phone:** +61 7 5584 4500

Please refer to the Product Disclosure Statement / Information Memorandum for all the current information on the fund/s available at LM's website [www.LMaustralia.com](http://www.LMaustralia.com).