

The Trust Company (RE Services) Limited
ACN 003 278 831
AFSL 235150
Level 18, 123 Pitt Street
Sydney, NSW, 2000



23 November 2020

Dear Unitholder,

Termination of CFM IS Diversified Trust

The Trust Company (RE Services) Limited (Perpetual) is the responsible entity of the CFM IS Diversified Trust, ARSN 608 414 026 (the Trust).

The investment manager of the Trust is Capital Fund Management LLP (Investment Manager).

The Trust is a registered managed investment scheme that was established under a constitution dated 8th October 2015, as amended from time to time (Constitution). Section 601NC of the *Corporations Act 2001* (Corporations Act) allows Perpetual to take steps to wind up the Trust if it considers that the purpose of the Trust cannot be accomplished by giving notice to investors in the Trust. Clause 4 of the Constitution sets out the procedure for the termination and windup of the Fund.

Accordingly, we are writing to advise you of Perpetual's intention to take steps to wind up the Fund from 23 November 2020.

Why is the Trust being terminated?

Due to the small size of the Trust which at the date of this letter is approximately AUD10m, both Perpetual and the Investment Manager are of the view that the Trust can no longer accomplish its purpose, and in the best interests of unitholders, recommend a wind down of the Trust in an orderly manner.

What this means for investors?

Investors have the right to call a meeting of members by 23 December 2020 to consider the proposed winding up of the Trust under Division 1 of Part 2G.4 of the Corporations Act and to vote on any extraordinary resolution investors propose as an alternative to the current proposal to wind up of the Trust.

Perpetual is permitted to wind up the Trust unless a meeting is called by investors to consider the proposed winding up of the Trust by 23 December 2020.

Given the decision has now been made to wind up the Trust, any redemption requests received to date that have not been processed will be taken to be withdrawn and any applications received to date that have not been processed will not be accepted.

How is the Trust being terminated?

On 23 December 2020, Perpetual will take steps to wind up the Trust in accordance with the Constitution. In short, to wind up the Trust, Perpetual will instruct the Investment Manager to liquidate the assets of the Trust, pay any liabilities and expenses of the Trust, and distribute the net proceeds to all unit holders according to the number of units they hold.

ASIC will also be notified of the commencement to wind up the Trust.

Further questions

If you have any questions about the above, please do not hesitate to contact Craig Stanford at the Investment Manager via email at craig.stanford@cfm.fr.

If you have any concerns, you may also contact Martin Farr at the Responsible Entity on +612 9229 9073 or via email at martin.farr@perpetual.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Martin Farr', with a stylized flourish at the end.

Martin Farr
Relationship Manager,
Perpetual Responsible Entity Services