

**Monash Absolute Investment Company Limited**  
**ABN 86 610 290 143**  
**in conjunction with Taylor Collison Limited ACN 008 172 450 AFSL 247083**

**SHARE PURCHASE PLAN 2018/06 ("PLAN")**

**TERMS AND CONDITIONS**

**1. Participation**

Participation in the Plan is open to all persons ("**Eligible Shareholders**") who:

- (a) as at the record date of (7.00pm) Tuesday 19 June 2018 ("**Record Date**"), are registered as holders of ordinary shares (**Shares**) in Monash Absolute Investment Company Limited ABN 86 610 290 143 (**Monash Absolute**); and
- (b) have a registered address in either Australia or New Zealand at that time, except those shareholders who are acting for the account or benefit of a US Person (as defined in Regulation S under the US Securities Act 1933 (as amended) (**US Securities Act**)) or another person who resides outside Australia or New Zealand.

In accordance with ASX Listing Rule 7.7.1(a), Monash Absolute and Taylor Collison Limited have decided it is unreasonable to make the offer under the Plan to the extremely small number of holders with registered addresses outside of Australia and New Zealand. Accordingly, the Plan does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. Shares to be allotted under the Plan have not been and will not be registered under the US Securities Act and may not be offered, sold or delivered, directly or indirectly, in or to persons, in the United States.

The Plan may not be released or distributed in any country other than Australia or New Zealand. The Plan does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country.

Participation in the Plan is subject to these terms and conditions. Please read these terms and conditions carefully as anyone who participates in the Plan will be bound by them.

All amounts referred to in these terms and conditions are in Australian dollars.

## 2. Key Dates

Event	Date
Record Date	Tuesday 19 June 2018
Offer opens	Wednesday 8 August 2018
Offer closes (Closing Date)	Friday 7 September 2018
Allotment of New Shares (Allotment Date)	Friday 14 September 2018
Dispatch of allotment confirmations and refunds if applicable	Friday 14 September 2018

Monash Absolute reserves the right to vary the timetable for the offer, including the Closing Date of the offer.

## 3. Offers

Offers under the Plan will be made under an arrangement between the Monash Absolute and Taylor Collison Limited, as a holder of an AFSL, (**Arranger**) under section 911A(2)(b) of the Corporations Act. Monash Absolute has only authorised the Arranger to make offers to people to arrange for the issue of Shares by Monash Absolute under the Plan, and Monash Absolute will only issue Shares in accordance with such offers if they are accepted

Offers under the Plan are non-renounceable and Shares will be issued only to the shareholder to whom they are offered.

Each offer is made on the same terms and conditions. All Eligible Shareholders of Monash Absolute receive the same offer, irrespective of the number of Shares which they hold on the Record Date.

The maximum value of Shares for which each Eligible Shareholder may subscribe under each offer is \$15,000 (unless they are applying as a Custodian (defined in clause 4)). This limit applies to each Eligible Shareholder even if that person receives more than one application form due to multiple holdings or they holds Shares in more than one capacity – for example, as a sole holder and as a first (or subsequent) named holder of two or more joint holders.

## 4. Custodians, trustees and nominees

Eligible Shareholders who hold Shares as a custodian, trustee or nominee (**Custodian**) (defined below) may participate on behalf of each Beneficiary (defined below) on whose behalf the Custodian is holding the Shares. An Eligible Shareholder is deemed to be a Custodian under ASIC Class Order [CO 09/425] if:

- (a) it holds an Australian financial services licence that:
  - (i) covers the provision of a custodial or depositary service; or
  - (ii) covers the operation of an IDPS (as defined in ASIC Class Order [CO 13/763]; or
- (b) it is exempt under:
  - (i) paragraph 7.6.01(1)(k) of the Corporations Regulations 2001 (**Regulations**); or
  - (ii) paragraph 7.6.01(na) of the Regulations; or
  - (iii) ASIC Class Order (CO 14/1000) or ASIC Class Order [CO 14/1001]; or,
  - (iv) Schedule 2 to the ASIC Corporations (Repeal and Transitional) Instrument 2016/396; or

- (v) an instrument, not being a legislative instrument, made by ASIC and which applies to the person on terms similar to Schedule 2 of the legislative instrument referred to in subparagraph (ia) or any of the ASIC Class Orders repealed by that legislative instrument; or
  - (vi) paragraph 911A(2)(h) of the Corporations Act;
- from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service; or
- (c) it is a trustee of a self-managed superannuation fund or a superannuation master trust; or
  - (d) it is the responsible entity of an IDPS-like scheme (as defined in ASIC Class Order [CO 13/762]; or
  - (e) it is the registered holder of Shares and is noted on Monash Absolute's register of members as holding Shares on account of another person.

A 'Beneficiary' is a client of a Custodian or another Custodian ('Downstream Custodian') on whose behalf the Custodian or Downstream Custodian held Shares on the Record Date.

Custodians wishing to apply on behalf of one or more Beneficiaries need to provide a custodian certificate which complies with the requirements of ASIC Class Order [CO 09/425] to Monash Absolute (**Custodian Certificate**). Please contact Monash Absolute's share registry, Boardroom Pty Limited, on 02 9290 9600 to obtain a copy of the Custodian Certificate.

If an Eligible Shareholder holds Shares as a custodian, trustee or nominee for another person, but is not a Custodian as defined above, it cannot participate for Beneficiaries in the manner described above. In this case, the rules for multiple single holdings in clause 3 apply.

Monash Absolute reserves the right (exercisable at its sole discretion) to reject any application for Shares where it believes the requirements of this clause 4 have not been met. Any necessary refund will be paid by Monash Absolute to Eligible Shareholders shortly after the Closing Date or the date upon which the Closing Date is extended. Interest will not be paid on any money refunded under this clause 4.

## 5. Joint holders/joint beneficiaries

If an Eligible Shareholder is recorded with one or more other persons as the joint holder of Shares, that joint holding is considered to be a single registered holding for the purpose of the Plan, and the joint holders are entitled to participate in the Plan in respect of that single holding only. If the same joint holders receive more than one offer under the Plan due to multiple identical holdings, whether those joint holdings are in the same registered name of the joint holding, or as an individual holder, the joint holders may only apply for a maximum parcel of \$15,000 worth of Shares.

If an Eligible Shareholder hold Shares as a Custodian for joint holders:

- (f) the \$15,000 limit applies jointly in relation to those persons as if the Custodian holds the Shares on behalf of a single person; and
- (g) where the terms on which the Shares are held do not cover the giving of instructions of this kind – the Custodian has received such an instruction from any of those persons.

## 6. Issue price

Shares will be issued under the Plan at the issue price which is equivalent to the pre tax Net Tangible Asset (NTA) backing per Share on 31 August 2018 less a discount of 5% (which would be announced to the ASX around Tuesday 4 September 2018).

Since the issue price is based on a discount to NTA rather than to market price, and movements in the market price may not correlate closely with movements in NTA, the relationship of the issue price to market price is affected by both of those factors.

**Eligible Shareholders should be aware that the market price of Shares on the ASX may rise or fall between the date of this offer and the date when Shares are allotted and issued to the Eligible Shareholders.** The price Eligible Shareholders pay per Share under this offer may be greater or less than the market price of Shares up to or after the time the Shares are issued to Eligible Shareholders pursuant to this offer. This means it is possible that, up to or after the date Eligible Shareholders receive Shares under the offer, Shareholders may be able to buy Shares on ASX at a lower price than under the offer.

Participation in the offer is entirely optional. The offer to acquire Shares under the Plan is not a recommendation. Eligible Shareholders should obtain their own independent investment advice in relation to the offer and consider price movements of Shares before participating in this offer.

Monash Absolute recommends Shareholders monitor its announcements and share prices, which can be found on the Monash Absolute's website at <http://www.monashinvestors.com> and on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code: MA1). The share price can also be found in the financial pages of major Australian metropolitan newspapers.

## 7. Costs of participation

No brokerage, commission, stamp duty or other transaction cost will be payable by a shareholder in respect of an issue of shares under the Plan.

## 8. Issue, quotation and rights of Shares

Monash Absolute will issue Shares pursuant to an offer on or around the Allotment Date or as soon as reasonably practicable after the Allotment Date and will promptly apply for those Shares to be quoted on the ASX.

Monash Absolute will, within the period required by the ASX Listing Rules, send each participant a holding statement in respect of any Shares issued under the Plan.

Shares issued under the Plan will rank equally with all other Shares in Monash Absolute and will therefore carry the same voting rights, dividend rights and other entitlements as those Shares.

## 9. Application procedure for Shares

The Offer opens on 8 August 2018.

Eligible Shareholders may apply for a maximum of \$15,000 worth of Shares under the Plan. The following options to acquire Shares under the Plan are available:

Option	Dollar value of Shares
1.	\$500
2.	\$1,000
3.	\$2,000
4.	\$3,000
5.	\$4,000
6.	\$5,000
7.	\$7,500
8.	\$10,000
9.	\$15,000

The number of Shares is rounded down to the nearest whole number after dividing the dollar amount by the issue price.

If an Eligible Shareholder does not wish to accept the offer, they do not need to take any action and the offer will lapse on the Closing Date.

If an Eligible Shareholder wishes to apply for Shares under the offer, they must either:

- (a) pay by BPAY® , using an Australian bank account, in accordance with the instructions on the Application Form to ensure cleared funds are received by the Closing Date. They must type the Customer Reference Number and Biller Code exactly as it appears on the Application Form. If they receive more than one Application Form they are required to use the Customer Reference Number and Biller Code found on each form to make their applications. If paying by BPAY® then they do not need to return the Application Form,

but they are taken to make the certifications and representations described in this Plan. They should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. They may also have their own limit on the amount that can be paid via BPAY®. It is their responsibility to check that the amount they wish to pay via BPAY® does not exceed your limit; or

- (b) complete the enclosed Application Form and forward it with a cheque to Boardroom Pty Limited, GPO Box 3993 Sydney, NSW, Australia, 2000 drawn on an Australian bank account and in Australian dollars for one of the designated amounts set out in the Application Form so that it is received prior to the close of the offer on the Closing Date. Do not forward cash. Cheques should be made payable to "Monash Absolute Investment Company Limited". Should they pay for any Shares by cheque and the cheque does not clear, their application will not be accepted and they agree to be responsible for any dishonour fees or other costs incurred. Receipts for payment will not be issued.

Application forms and payment (either by BPAY® or cheque) must be received by Monash Absolute **no later than 5pm (AEST) on the Closing Date**. No late applications will be accepted.

Any application money received in excess of the amount required for the number of Shares an Eligible Shareholder successfully applies for will be refunded to them without interest. If the amount received is less than \$500, Monash Absolute will not allot any Shares to them and the money received from them will be refunded without interest.

If an Eligible Shareholder's Application Form is incomplete, contains errors or is otherwise invalid or defective, Monash Absolute may, in its sole discretion, accept, reject, correct or amend their application, issue such number of Shares to them as it considers appropriate, refund their application money, or take any combination of these actions. Any necessary refund will be paid to them shortly after the Closing Date. No interest will be paid on any refund.

The return of the Application Form with the application money, or the remittance of funds via BPAY® will constitute the Eligible Shareholder's offer to subscribe for Shares on the terms and conditions of this Plan. Once an application has been made, it cannot be revoked. No notice of acceptance of the application will be provided.

## **10. Scale Back of SPP Offer**

If the total value of applications for Shares under the offer exceeds the total purchase price of buy-backs under the Equal Access Buy-Back conducted by Monash Absolute over the period in which offers are open under this Plan (or in the preceding month), Monash Absolute may in its absolute discretion allocate to the Eligible Shareholder less than the number of Shares they have applied for (**Scale Back**). If there is a Scale Back, Monash Absolute may in its absolute discretion determine to apply the Scale Back to the extent and in the manner that it sees fit.

If the Scale Back produces a fractional number of Shares when applied to the Eligible Shareholder's issue of Shares, the number of Shares issued will be rounded down to the nearest whole Share.

If there is a Scale Back, the Eligible Shareholder's application money may be greater than the value of the Shares they will be issued. In that event, the excess application money will be refunded to them on or around 14 September 2018. Any application money refunded by Monash Absolute will be paid by cheque or direct credit (the payment method will be determined by Monash Absolute in its absolute discretion) in Australian currency. By applying for Shares, each Eligible Shareholder authorises Monash Absolute to pay any money to be refunded by using the payment instructions of the Eligible Shareholder recorded in Monash Absolute's share register if Monash Absolute should elect to pay in this manner. No interest will be payable to the Eligible Shareholder on any money refunded.

## **11. Placement of Shortfall**

Any shortfall from the offer may be placed at the discretion of the directors.

## **12. No Transfer**

The offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase Shares under the offer to a third party.

## **13. Amendment, suspension and termination of the Plan**

The directors of Monash Absolute may, in their discretion, amend the Plan at any time (including, without limitation, by extending the Closing Date). Monash Absolute will notify ASX of any amendment of the Plan, but failure to do so will not invalidate the amendment. Monash Absolute may issue to any person fewer Shares than subscribed for under the Plan (or none at all) if Monash Absolute believes that the issue of those Shares would contravene any law or the ASX Listing Rules.

The directors of Monash Absolute reserves the right to suspend or terminate the Plan at any time.

Failure to notify Shareholders of a change to or termination of the offer or the non-receipt of notice will not invalidate the change or termination.

In the event that the Plan is terminated prior to the issue of Shares, all application money will be refunded. No interest will be paid on any money returned to the Shareholder.

## **14. Administration and dispute resolution**

Monash Absolute's principal objective in administering the Plan is to facilitate maximum participation in compliance with ASIC Class Order 09/425 and all applicable laws and efficient administrative practices.

Monash Absolute may adopt any administrative procedures it thinks appropriate in relation to the Plan.

The powers of Monash Absolute under this Plan may be exercised by its directors or any delegate or representative of the directors.

Monash Absolute may settle, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise under or in connection with the operation of the Plan, whether generally or in relation to any participant or class of participants, offer, acceptance or shares, and the decision of Monash Absolute will be conclusive and binding on all participants and other persons to whom the determination relates.

Monash Absolute reserves the right to waive compliance with any provision of these terms and conditions subject to compliance with the Corporations Act, the ASX Listing Rules and ASIC Class Order [CO 09/425].

## **15. Notices**

Notices and statements to participating Eligible Shareholders may be given in any manner determined by Monash Absolute.

## **16. Acknowledgements**

By making payment (including through BPAY®) or returning an Application Form or Custodian Certificate, a Shareholder certifies, acknowledges, warrants and represent as true, correct and not misleading to Monash Absolute that:

- (a) they are an Eligible Shareholder, as defined in clause 1;
- (b) they have read, understood and accepted the terms and conditions of Plan in full and agree that their application is made in accordance with this Plan;
- (c) they declare that all details and statements in their application are true and complete and not misleading;
- (d) their application, under the terms and conditions of Plan (including the Application Form and Custodian Certificate), will be irrevocable and unconditional (i.e. it cannot be withdrawn);
- (e) as at the Record Date, they were recorded on Monash Absolute's share register as being a registered holder of Shares and having an address in Australia or New Zealand;

- (f) if they have a registered address in New Zealand, they continued to hold Shares as at the opening of the offer on 8 August 2018.
- (g) they and each person for whose account or benefit they are acting is not in the United States and is not a U.S. Person, or acting for the account or benefit of a U.S. Person;
- (h) they acknowledge that the Shares have not, and will not be, registered under the U.S. Securities Act 1933 or securities laws of any other jurisdiction outside Australia or New Zealand and, accordingly, the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (i) they represent that they have not, and they agree that they will not, send any materials relating to the Plan to any person in the United States or any country outside Australian and New Zealand or to any person who is, or is acting for the account or benefit of, a U.S. Person;
- (j) if they are applying on their own behalf (and not as a Custodian) they agree that the aggregate of the application price for the following does not exceed \$15,000:
  - (i) the Shares the subject of the application;
  - (ii) any other Shares issued to the Shareholder under the Plan or any similar arrangement in the 12 months before the application;
  - (iii) any other Shares that they have instructed a Custodian to acquire on their behalf under the Plan; and
  - (iv) any other Shares that have been issued to a Custodian under an arrangement similar to the Plan in the 12 months before the application as a result of an instruction given by you to the Custodian or another Custodian and which resulted in you holding beneficial interests in the Shares.
- (k) if they are a Custodian and are applying on behalf of a Beneficiary on whose behalf they hold Shares:
  - (i) they are a Custodian (as that term is defined in ASIC Class Order (CO 09/425));
  - (ii) either or both of the following apply (as applicable):
    - A. that on the Record Date they held Shares on behalf of one or more other persons (each a Beneficiary) that are not Custodians;
    - B. that on the Record Date another Custodian (Downstream Custodian) held beneficial interests in Shares on behalf of one of more other persons (each a Beneficiary), and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian;
  - (iii) each Beneficiary has subsequently instructed either the Custodian or the Downstream Custodian (as applicable) to apply for Shares or interests on their behalf under the Plan;
  - (iv) details of the number of Beneficiaries participating, the name and address of each Beneficiary and in respect of each Beneficiary:
    - A. the number of Shares that the Custodian or Downstream Custodian holds on behalf of that Beneficiary; and
    - B. the dollar amount of Shares that the Beneficiary, or its agent, has instructed the Custodian or the Downstream Custodian to accept on behalf of the Beneficiary,
    - C. as set out in the Application Form or the Custodian Certificate and Schedule, is true and correct;
  - (v) there are no Beneficiaries in respect of whom the total of the application value for (a) the Shares applied for by the Custodian under the Plan on their behalf; and (b) any Shares issued to the Custodian in the previous 12 months as a result of an instruction given by the Beneficiary to the Custodian or a Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the SPP, exceeds \$15,000; and
  - (vi) a copy of this offer document was given to each Beneficiary;
  - (vii) where clause (k)(ii)(B) applies, the name and address of each Custodian who holds beneficial interests in the shares or interest in the class held by the Custodian in relation to each Beneficiary.
- (l) they may be offered Shares pursuant to the Plan in accordance with all applicable laws, and any acceptance by the Shareholder on their own behalf or in respect of any person for which the Shareholder is acting complies with all applicable laws;
- (m) they agree that where they have previously provided Monash Absolute or its share registry with bank account details, any refund to be paid to them under these terms and conditions may be direct credited into that nominated account;
- (n) they accept the risk associated with any refund that may be dispatched to them by direct credit as per above or by cheque to their address shown on Monash Absolute's share register;

- (o) they acknowledge that no interest will be paid on any application money held pending the allotment of the Shares refunded to them for any reason;
- (p) they are responsible for any dishonour fees or other costs Monash Absolute may incur in presenting a cheque for payment which is dishonoured;
- (q) they agree to be bound by the provisions of the constitution of Monash Absolute (as amended and as it may be amended from time to time in the future);
- (r) they authorise Monash Absolute and its affiliates, officers and representatives to do anything on their behalf necessary for Shares to be issued to them in accordance with these terms and conditions;
- (s) they acknowledge that neither Monash Absolute nor share registry has provided them with investment advice or financial product advice, and that neither has any obligation to provide this advice, concerning their decision to apply for and buy new Shares under the Plan;
- (t) they acknowledge that Monash Absolute (and each of its officers and agents) is not liable for any consequences of the exercise or non-exercise of its discretions referred to in the Plan;
- (u) they authorise Monash Absolute (and its officers and agents) to correct minor or easily rectified errors in, or omissions from, your application and to complete the application by the insertion of any missing minor detail;
- (v) Monash Absolute may at any time irrevocably determine that their application is valid in accordance with these terms and conditions, even if the application is incomplete, contains errors or is otherwise defective; and
- (w) if two or more persons are recorded in Monash Absolute's register of members as jointly holding Shares or interest in Monash Absolute, they are taken to be a single registered holder and a certification given by any of them is taken to be a certification given by all of them.

#### **17. Additional terms of this Plan**

The requirements of the ASIC Class Order [CO 09/425] are incorporated into these terms and conditions. Under that class order, the yearly limit that can be raised from a participant in a share purchase plan is \$15,000. Accordingly, no Eligible Shareholder (including through joint holdings, multiple share accounts or any holding in which the Eligible Shareholder may have a beneficial interest) will be issued with New Shares under this or any other share purchase plan with an application value totalling more than \$15,000 in any consecutive 12 month period.

#### **18. Risks**

In addition to the market price risk outlined in clause 6, there are also regulatory risks including risk of legislative and regulatory changes, risks related to general market conditions including exchange rate risk, interest rates, market sentiment and circumstances and conditions which are not within Monash Absolute's control such as new entrants and competition.

Potential investors should carefully consider the risks in light of their personal circumstances (including financial and taxation issues) and seek professional advice from their stockbroker, accountant, lawyer or other professional adviser.

#### **19. Governing Law**

The terms and conditions of the Plan are governed by the laws in place in New South Wales.