



FIDANTE
PARTNERS

Investor Services 13 51 53
Adviser Services 1800 195 853
Facsimile 02 9994 6666
GPO Box 3642 Sydney NSW 2001

18 February 2022

WaveStone Capital Absolute Return Fund

Dear Investor,

Notice of termination of the WaveStone Capital Absolute Return Fund

Fidante Partners Limited (**FPL**), in its capacity as Trustee of the WaveStone Capital Absolute Return Fund (**Fund**), has determined it is in the best interests of unitholders to terminate and wind-up the Fund and distribute the Fund's net proceeds to unitholders. In accordance with the terms of the Fund's constitution this notice to unitholders advises FPL resolved that the Fund will terminate on 18 February 2022 (**Termination Date**).

Reason to Terminate

In response to a steady decline in funds under management (**FUM**) over recent years a detailed review of the Fund was conducted. As a result of this review, it was determined both the investment objective and adequate portfolio diversification are unlikely to be sustained due to the lower FUM levels. After considering options for the ongoing operation of the Fund, the Trustee determined it is in the best interests of all unitholders to terminate and wind-up the Fund in an economical and efficient manner, returning proceeds from the disposal of the Fund's assets to unitholders.

Wind-up process

We will commence an orderly process to realise the assets of the Fund and pay all its liabilities. On a later date after the Termination Date, net proceeds will be distributed to remaining unitholders according to the number of units held. The final termination payment will be made to your nominated payment method in due course. A full breakdown of components of this payment will be provided in your 2021/2022 tax statement which we aim to send out in July 2022.

What does this mean for you?

From the Termination Date, we will be unable to accept any applications, reinvestment of distributions or redemption requests from investors and unitholders. This includes unprocessed

application or redemption requests which may have been received prior to the Termination Date. If an application has been submitted any monies received will be returned to you.

For unitholders who applied to redeem units in the Fund they will receive net proceeds as part of the wind-up process. During the winding up of the Fund we will continue to act in the best interests of unitholders and in accordance with the Fund's constitution.

Management fees will not be charged from the Termination Date and any positive Cumulative Performance Fee Amount accrued from 1 January 2022 will be waived at Termination Date.

Please note other than cash (or cash equivalents), portfolio assets remain subject to market movements until they have been fully realised. During the wind-up process, the Fund is expected to hold an increasing component of cash.

Further information

Unitholders should seek their own tax advice in relation to the taxation implications of receiving their final distribution payments, taking into account their own particular set of circumstances. If you have any questions regarding the Fund or the wind-up process, please contact your financial adviser, or call our Investor Services team on 13 51 53 or +61 2 9994 7000 from outside Australia during Sydney business hours. We thank you for your patience throughout the wind-up of the Fund.

Yours sincerely



Aarti Mathur
Senior Manager, Investor and Advisor Services
Fidante Partners