

# Chairman's script

**Agricultural Land Trust ARSN 096 588 046**

**Unit holders' Meeting**

**Meeting Date: Friday, 1 August 2014**

**Meeting time: 10.00 AM**

**One Investment Group, Level 13, 20 Hunter Street, Sydney NSW 2000**

## 1. OPENING

- 1.1 Good morning Ladies and Gentlemen and welcome to the unit holders' meeting of Agricultural Land Trust ARSN 096 588 046 (which I will call the **"Scheme"**).
- 1.2 My name is Justin Epstein, and I am an executive director of Agricultural Land Management Ltd (which I will call the **"Current RE"** or **"ALML"**). As you will be aware, ALML is the current responsible entity of the Scheme.
- 1.3 Joining me today is my fellow executive director Frank Tearle.
- 1.4 The aim of the meeting is to provide a forum for the Scheme's members to ask questions and vote on the resolutions as set out in the Notice of Meeting sent to the unit holders of the Scheme on 4 July 2014.
- 1.5 I encourage a free, open and frank exchange of views, but it is important that comments and questions remain to the point and respect the views of others.
- 1.6 I would like to give everybody who wishes to speak at the meeting a reasonable opportunity to do so.
- 1.7 Non-unit holders are welcome to attend and listen, but only yellow or red admission card holders may speak. No one may tape or photograph the proceedings.
- 1.8 Before we commence, may I request that you ensure that your mobile phone is turned off?

## 2. MEETING CALLED TO ORDER

- 2.1 I have been appointed by the Current RE to chair this meeting.
- 2.2 My fellow director Mr. Tearle has informed me that a quorum for the meeting is present, and therefore, I declare this meeting open.
- 2.3 Our lawyers have requested that we include in today's proceedings the disclaimer shown on the screen.

***"None of the representatives of One Investment Group will be providing any investment or financial advice today. If you need financial advice please consult your financial or other advisers"***

## 3. CONDUCT OF THE MEETING

- 3.1 I will briefly comment on how I will conduct the meeting today as Chairman.
- 3.2 First, I will make some remarks as Chairman of the Current RE. In particular, I will provide you with the following:
  - 3.2.1 background of the resolutions;
  - 3.2.2 conditions attaching to resolutions 1 and 2;
  - 3.2.3 implications if the resolutions are or are not approved; and
  - 3.2.4 directors' recommendation in relation to the resolutions.
- 3.3 Mr. Tearle will then make some remarks on behalf of One Investment Group and the proposed new responsible entity, One Managed Investment Funds Limited (which I will call "**OMIFL**").
- 3.4 A number of proxies have been received. On that basis, in accordance with the Corporations Act, later in the meeting I will advise details of the proxies which have been received.
- 3.5 You should note that, as disclosed in the Notice of Meeting, I intend to vote open proxies in favour of each of the resolutions.

## 4. NOTICE OF MEETING

- 4.1 The Notice of Meeting and Explanatory Statement were posted to members on 4 July 2014.
- 4.2 I will now move that the Notice of Meeting and each of the resolutions be taken as read.

Could I have a seconder please?

Thank you.

Those in favour? (*Count hands*)

Against? (*Count hands*)

I declare the motion carried.

Thank you.

## 5. CHAIRMAN'S ADDRESS

5.1 I will now make some remarks as the Chairman of the Current RE.

5.1.1 background of the resolutions;

- a) On 21 November 2013, ALML announced a proposed restructure of the Scheme. The purpose of the proposed restructure was to facilitate Elders Limited's (which I will call "**Elders**") exit from the forestry industry, to allow the Scheme to reduce its debt levels and to effect a separation from Elders. A component of the separation of the Scheme from Elders was removing the exposure of the responsible entity, ALML, which was a wholly owned subsidiary of Elders, to matters affecting Elders. It was stated that this would secure a complete separation of the affairs of the Scheme from the affairs of Elders. It was stated in this announcement that Elders had informed ALML that Elders had agreed to sell the shares in ALML to Guce Farms Pty Ltd or its nominee (which I will call "**Guce**").
- b) On 7 February 2014, ALML announced that the agreement between Elders and Guce for the sale of ALML had been terminated because Guce no longer wished to take control of ALML.
- c) On 14 February 2014, it was announced that ALML and Elders had entered into an agreement to work together in good faith to develop a long-term solution regarding the responsible entity of the Scheme including whether to corporatise the Scheme, internalise ALML so it that it would be held directly by the Scheme's unit holders, or replace ALML as the responsible entity. Further, it was stated in this announcement that one of the aims of such proposals was to rectify the existing issues with ALML's Australian Financial Services Licence.
- d) As noted in the Scheme's Annual Report for 30 June 2013, Elders had provided ALML with an eligible undertaking for up to \$5.5 million to enable ALML to meet the base level financial requirements of its AFSL. At the time the eligible undertaking was provided, Elders met the definition of "eligible provider" of an eligible undertaking and ALML was able to count the eligible undertaking towards the Australian Securities and Investments Commission's ("ASIC") net tangible asset requirements for a responsible entity.
- e) Also as noted in the Scheme's Annual Report for 30 June 2013, new financial requirements for responsible entities were implemented by ASIC Class Order 11/1140 which applied to ALML from November 2012. The Annual Report noted that the impact of those changes on ALML remained unclear.
- f) To facilitate the objective of removing the exposure of the Scheme to Elders, and for Elders to exit the forestry industry, ALML was acquired by the One Investment

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Group on 4 July 2014. From 4 July 2014, ALML has not been owned or controlled by Elders.

- g) With effect from 1 November 2012, ASIC introduced new rules increasing the regulatory capital which responsible entities had to hold. These rules were designed to improve the financial strength and resilience of responsible entities. As ALML has stated frequently to the market, the impact of ASIC's changes to ALML have been unclear.
- h) In order to provide the Scheme with a more stable structure, One Investment Group has determined that it wishes to replace ALML as the responsible entity of the Scheme with One Managed Investment Funds Limited ("OMIFL"), One Investment Group's primary responsible entity. The proposed change of responsible entity will mean that the Scheme has a financially stronger responsible entity that complies fully with ASIC's regulatory capital requirements. OMIFL has extensive experience as a corporate trustee and custodian, and is a professional responsible entity operating numerous schemes.

## 5.1.2 conditions attaching to the resolutions 1 and 2;

- a) The Corporations Act requires that, where a responsible entity of a registered scheme wants to retire, it must call a meeting of unit holders to explain its reason for wanting to retire and to enable the unit holders to choose a new responsible entity. Resolutions 1 and 2 are proposed and the information contained in the Explanatory Statement of the Notice of Meeting was provided to unit holders for this purpose.
- b) Resolutions 1 and 2 are inter-conditional.
- c) Resolutions 1 and 2 will be passed if approved by an ordinary resolution of unit holders in the Scheme.
- d) Resolutions 1 and 2 will only be put to the unit holders vote subject to any required third party consents having been received prior to the meeting, which I confirm is the case.

## 5.1.3 implications if the resolutions are or are not approved;

If Resolutions 1 and 2 are not passed:

- a) ALML would remain the responsible entity of the Scheme; and
- b) ALML may apply to the Court for its retirement and the appointment of a temporary responsible entity of the Scheme.

## 5.1.4 Directors' recommendation in relation to the resolutions.

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The directors' of ALML recommend that unit holders vote in favour of Resolutions 1 and 2.

5.2 I will now invite Mr Tearle, to make some remarks on behalf of OMIFL, the proposed new responsible entity.

5.3 Mr. Tearle's remarks

5.3.1 Thank you Mr. Chairman.

5.3.2 Good morning, I am glad to be making a brief presentation on behalf of OMIFL.

5.3.2 a) As Mr. Epstein mentioned, our lawyers have requested that we include in today's proceedings the disclaimer previously shown on the screen. I will not repeat that again but please note that my comments are subject to the same disclaimer.

b) The One Investment Group is an independent funds management business specialising in providing Responsible Entity, Trustee, Custody, Registry and Administration services. The One Investment Group operates a number of entities that, pursuant to the Corporations Act, are licensed to conduct financial services businesses and to act as responsible entities for registered schemes and as trustees for unregistered schemes. Members of the One Investment Group are responsible for the administration of in excess of 120 funds with a wide range of underlying asset classes including infrastructure, real estate, equities, credit and fund of funds, working alongside numerous investment managers. The total value of the assets within these trusts is in excess of \$2 billion.

c) One Investment Group's subsidiaries are able to provide funds with a complete solution including Responsible Entity or Trustee, Custodian, Registrar and Fund Administrator or alternatively provide a single service working alongside external service providers or the existing Responsible Entity or Trustee.

d) The One Investment Group has staff with a diverse range of experience in the financial services industry including:

- Funds Management;
- Risk Management;
- Custody;
- Accounting;
- Regulatory and Compliance;
- Foreign Exchange and Derivatives;
- Taxation; and

- Legal.

e) Our senior management team has a total experience of 240+ years, relevant to our business and what we do as a responsible entity and custodian. In our opinion, the team has the requisite skills set required to manage and discharge our duties professionally.

f) Members of the One Investment Group hold 6 AFSLs in aggregate. OMIFL, the proposed new responsible entity of the Fund, is authorised under AFSL 297042.

g) Thank you.

h) I now handover to the Chairman to continue proceedings.5.4 Thank you Mr. Tearle.

5.5 The Notice of Meeting and Explanatory Statement accompanying the Notice of Meeting dated 4 July 2014 were dispatched (via post) to the members who elected to receive it. The same documents were also released to the market via the ASX.

5.6 I will shortly open the floor for general discussion of the proposed resolutions and give the members a reasonable opportunity to ask questions about, and make comments on Resolutions 1 and 2, through me. Only those attendees with Yellow and Red admission cards who may speak.

5.7 I will answer your questions or refer them to my colleague Mr. Tearle or another member of the One Investment Group team.

5.8 I now open the floor to discussion/questions on anything we have said so far.

## **[DISCUSSIONS/QUESTIONS]**

5.9 I believe that members as a whole have now had a reasonable opportunity to ask questions and make comments about the matters discussed so far.

## **6. RESOLUTIONS**

6.1 We will now turn to the resolutions.

6.2 Under the Scheme's constitution and the Corporations Act, any resolutions put to the vote at a meeting of unit holders must be decided on a show of hands unless a poll is demanded.

6.3 In accordance with my right as the Chair of the meeting, I have determined that voting on each resolution will be by way of a poll. Voting on the resolutions at this meeting will not be by way of a show of hands.

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- 6.4 Upon registering today, you will have been issued with either: (a) a blue - visitor admission card; (b) a red - non-voting unit holder admission card; or (c) a yellow - voting unit holder/proxyholder card.
- 6.5 Only unit holders or their proxies, with yellow cards can vote on the motions at today's meeting.
- 6.6. Again, only those persons in possession of either a yellow voting card or a red non-voting card are entitled to ask questions.
- 6.7 Those with a blue visitor card are kindly requested to observe the proceedings.
- 6.8 So, in summary, the position is that people holding yellow cards can speak and vote on a motion, and people holding red cards can speak but not vote.
- 6.9 If you believe you have not received the correct card, please go to the registration desk immediately and seek assistance.
- 6.10 Should you need to leave before the conclusion of the meeting, you may provide the registry team with your completed voting card as you leave.

## 7. RESOLUTION 1 – RETIREMENT OF ALML

- 7.1 Resolution 1, as set out in the Notice of Meeting is an ordinary resolution.
- 7.2 There is commentary relating to this Resolution in the Notice of Meeting and Explanatory Statement, which have been taken as read.
- 7.3 The resolution reads:

**“That, subject to Resolution 2 being passed, the retirement by Agricultural Land Management Ltd (ABN 16 072 899 060, AFSL 225064) as the responsible entity of the Agricultural Land Trust, be approved.”**

- 7.4 I now move Resolution 1.

Could I have a seconder please?

Thank you.

Would any unit holder like to speak in relation to this resolution?

***[Leave time for questions]***

- 7.5 As there is no further discussion on Resolution 1, I will close the discussion on that motion.



- 7.6 The poll in relation to this Resolution and Resolution 2 will be conducted at the same time. Accordingly, I will put this resolution to the unit holders by calling a poll after discussion on Resolution 2.

## 8. RESOLUTION 2 – APPOINTMENT OF OMIFL

- 8.1 We will now turn to Item 2 of the Notice of Meeting, which concerns the appointment of OMIFL, as the new responsible entity of the Scheme.
- 8.2 In accordance with the Corporations Act, members have the opportunity to cast their votes in relation to the appointment of the new responsible entity.
- 8.3 Resolution 2 is as set out in the Notice of Meeting.

The resolution reads:

**“That, subject to Resolution 1 being passed, One Managed Investment Funds Limited (ABN 47 177 400 987, AFSL 297042) be appointed as the responsible entity of the Agricultural Land Trust.”**

- 8.4 As I have previously noted, the ALML board unanimously recommends that unit holders vote to approve the appointment of OMIFL.
- 8.5 I will now move Resolution 2.

Could I have a seconder please?

Thank you.

Would any unit holder like to speak in relation to this resolution?

***[Leave time for questions]***

- 8.6 As there is no further discussion on the motion, I will close the discussion on that motion.

## 9. NOTIFICATION OF PROXIES

- 9.1 Before I put the Resolutions to a poll, the position of the proxy votes received in respect of each Resolution as at 10.00am, 30 July 2014, are now being shown on the screen:

## Resolution1

Total Votes Lodged*	Total For	Total Against	Total Open
64,677,927	64,592,942	6,000	78,985

\*Including Open Proxies

## Resolution2

Total Votes Lodged*	Total For	Total Against	Total Open
64,677,927	64,592,942	6,000	78,985

\*Including Open Proxies

9.2 Where any proxy appointment form has not specified how the relevant votes are to be cast and are in favour of the Chairman, I have cast them in favour of the resolution.

## 10. POLL PROCEDURE

10.1 As foreshadowed earlier, voting on the Resolutions today will be taken by poll.

10.2 To conduct a poll, we need a returning officer. I now call upon Andrew Dyster of One Registry Services, who has been liaising with Computershare and prepared the summary of the proxy forms received, to act as returning officer and determine the results of the polls.

10.3 We propose to announce the outcome of the Resolutions before closing the meeting, with final voting results to be announced to Australian Stock Exchange ("**ASX**"). If the resolutions are approved, a lodgement to this effect will also be made with ASIC.

10.4 I will describe the poll procedure in one minute, but first wish to note that once the poll has concluded, I will direct the returning officer to count the votes on conclusion and to report to me the results of the poll.

10.5 As the process to calculate the votes will take some time, the meeting will be adjourned once the poll closes.

10.6 The poll will close when everyone entitled to vote has voted.

10.7 In order to complete your voting cards:

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- 10.7.1 If you wish to cast all your votes for, against or abstain from the Resolution, place an X in the appropriate box, on your voting card.
- 10.7.2 If you place a mark in more than one box in relation to a Resolution, your vote for that resolution will be invalid.
- 10.7.3 If you wish to cast some of your votes for the Resolution, some of your votes against the Resolution or some of your votes abstaining from the Resolution, write in the FOR box the actual number or percentage of votes you are casting for the Resolution, write in the AGAINST box the actual number or percentage of votes you are casting against the Resolution and write in the ABSTAIN box the actual number or percentage of votes you are casting abstaining from the Resolution. The sum of the votes cast or the percentages FOR, AGAINST and ABSTAIN on the motion must not exceed your voting entitlement or 100%.
- 10.7.4 Proxyholders, you have been issued with a summary of Proxy Votes which details the voting directions for business items on the appointment documents in your favour. If you have been directed to vote in a particular manner, you will be deemed to have voted in accordance with those directions by completing the voting card regardless of how you complete the card.
- 10.7.5 I will now put the Resolutions 1 and 2 to the unit holders by calling a poll.
- 10.7.6 I now ask you to cast your votes.
- 10.8 Please complete your voting cards.
- 10.9 I have previously announced the valid proxy votes received on the resolutions. The proxy votes will be added to the votes cast by poll.
- 10.10 When you have completed your voting card in respect of the proposed resolutions, please hold it up and a representative from our registry team will collect it.
- 10.11 If you need any assistance, please put your hand-up for assistance.

***[Chairman to complete voting cards as well - registrar's staff hand out any additional cards that are required, pencils etc., and commence collecting completed voting cards.]***

***\*\*\*\*time to complete voting cards\*\*\*\****

- 10.12 Has everyone voted?

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Then place your voting cards in the ballot box being circulated by One Registry Services.

*[Depending on the number of unit holders present, approximately 5-10 minutes, the chairman consults with Registrar, then asks:]*

Has everyone placed their voting cards in the ballot box?

**\*\*\*short pause\*\*\***

If you have not lodged your yellow voting cards, please do so now as I am about to close the polls.

10.13 I now declare the polls are closed.

## **11. ADJOURNMENT OF THE MEETING**

11.1 I now declare the Meeting adjourned.

11.2 After the votes for each poll conducted have been counted by the One Registry Services, I will re-convene the meeting and announce the results of the polls on the Resolutions.

11.3 The counting of votes should take approximately 10-20 minutes.

## **12. RESULTS OF THE POLL**

12.1 I now declare the Meeting re-convened.

12.2 I declare that both Resolutions have been passed by the requisite majorities and I declare the Resolutions carried.

12.3 The formal results of the poll will be notified to the ASX.

## **13. CLOSURE OF MEETING**

13.1 That completes the formal business of the meetings.

13.2 I now declare that the meeting is closed.

13.3 It remains for me to thank you for joining us today. We very much appreciate your interest and involvement.

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END

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**Unitholder Meeting**

**1 August 2014**

**one**  
Investment Group

One Investment Group's services



Regulatory &  
Compliance

Responsible  
Entity / Trustee  
Services

Custody

Fund  
Administration

**“None of the representatives of One Investment Group will be providing any investment or financial advice today. If you need financial advice please consult your financial or other advisers”**

## Resolution 1

**“That, subject to Resolution 2 being passed, the retirement by Agricultural Land Management Ltd (ABN 16 072 899 060, AFSL 225064) as the responsible entity of the Agricultural Land Trust, be approved.”**

## Resolution 2

**“That, subject to Resolution 1 being passed, One Managed Investment Funds Limited (ABN 47 177 400 987, AFSL 297042) be appointed as the responsible entity of the Agricultural Land Trust.”**



Total Valid Proxy Votes	For	Against	Open	Abstain
<b>Resolution 1</b> Retirement of existing responsible entity	64,592,942 69.69%*	6,000 0.01%*	78,985 0.08%*	7,759 0.01%*
<b>Resolution 2</b> Appointment of new responsible entity	64,592,942 69.69%*	6,000 0.01%*	78,985 0.08%*	7,759 0.01%*

\* % of all securities on issue