

## Notice of fund termination – Bendigo Income Generation Fund

As a current investor in our Bendigo Income Generation Fund (**Fund**) we are writing to let you know that a decision has been made to wind up the Fund effective **9 January 2024**. This will be done in accordance with the Fund's constitution with the net proceeds of the sale of assets distributed to investors.

### **Why have we made this decision?**

As outlined in the Product Disclosure Statement (PDS) for the Fund, one of the risks of investing in this Fund is **Significant Unitholder Risk**.

*“Significant unitholder risk – A wholesale investor holds a significant unitholding in the Fund. That unitholder has contracted to hold its investment until at least 2023 but has rights to redeem its investment prior to 2023 in limited circumstances. In the event that the significant unitholder redeemed its investment in the Fund, depending on the size and composition of the Fund at the time of that redemption, the significant outflow of funds could be disadvantageous to remaining unitholders.”*

As one of our largest investors has gradually withdrawn their funds over the last 6 months, we have reviewed the Fund and the impact this has had on remaining investors. The review highlighted that the investment objective of the Fund will not be met and management fees will need to be increased for the Fund to be sustainable.

Based on these factors, the Sandhurst Trustees (**Sandhurst**) Board has concluded that, in its opinion, it is in the best interests of all investors to wind up the Fund.

### **What does this mean for you?**

If you have a Regular Savings Plan, it will cease immediately. As part of the wind up of the Fund, the assets will be liquidated into cash before termination. Some, or all, of the assets will be held in cash from the date of this letter until the Fund is wound up and hence the Fund returns may align more to cash investments than the investment return objective. As part of the wind up of the Fund there are three options available:

1. Switch into an alternative Sandhurst managed fund by withdrawing and purchasing units using our Switch Form. See below for further details. Visit [bendigobank.com.au/managedfunds](https://bendigobank.com.au/managedfunds) for more information about other Sandhurst Managed Funds.
2. Withdraw all your units and close your account prior to 8 January 2024, 12pm Melbourne time. The Withdrawal Form is available at [bendigobank.com.au/managedfundsforms](https://bendigobank.com.au/managedfundsforms)
3. Do nothing and wait for net proceeds of sale of assets to be deposited into your bank account as outlined below (or paid by cheque).

Withdrawal or switch requests received by us in writing by 8 January 2024, 12pm Melbourne time will be actioned accordingly. We will endeavour to pay withdrawal proceeds within five business days of receiving your request. Withdrawals will be processed based on the withdrawal unit price calculated on the day the withdrawal request is received.

From 9 January 2024, the Fund will be closed to any withdrawal or switch requests. During this time, you will not be able to access your investment in the Fund. Once the realisation of assets is complete, subject to you being an investor at the close of business on 9 January 2024, net proceeds are expected be paid to you on a pro-rata basis on or before 31 January 2024. We will send you a final confirmation statement and these funds will be transferred to your bank account as below (if we have your bank account details on our system):

BSB:  
Account Number:  
Account Name:

**PLEASE CHECK THE NOMINATED BANK ACCOUNT DETAILS ABOVE ARE CORRECT.**

**Should you wish to make changes to these account details, we will require notification from you in writing before 9 January 2024.** Please visit [bendigobank.com.au/managedfundsforms](https://bendigobank.com.au/managedfundsforms) to complete the Change of details form and return it to the address at the bottom of the form. Alternatively, you may contact us on 1800 634 969 and we will forward the Change of details form to you for completion. If there are no bank account details in our system by 9 January 2024, a cheque will be issued.

The termination of the Fund may have taxation implications. We recommend you speak with a tax adviser about your individual circumstances. A tax statement will be sent to you after 30 June 2024.

**Key Dates**

The below table indicates the key dates and steps that will be taken as part of the Fund closure and what you need to do.

Indicative key date*	Action by Sandhurst	Action by you
12 December 2023	Letters sent to all investors advising of the details and date of termination of the Fund.	You may wish to: 1. Switch into an alternative product. 2. Withdraw all your units and close the account prior to 8 January 2024 12pm Melbourne time. 3. Do nothing and wait for wind up proceeds to be distributed to your nominated bank account or by cheque.
12 December 2023	The Fund is closed to new investors.	No action required.
12 December 2023	The Fund is closed to additional investments.	No action required.
(Up to) 8 January 2024	The Fund will accept withdrawal or switch requests.	Action required if you choose option 1 or 2 - Withdrawal or switch requests will continue to be processed up to 8 January 2024, 12pm Melbourne time.  No action required if you choose option 3 outlined above.
9 January 2024	Sandhurst will begin the wind up of the Fund.	No action required.
(by) 31 January 2024	Sandhurst will determine the final entitlements to investors.	
(by) 31 January 2024	Sandhurst will distribute net proceeds on a pro-rata basis to your nominated account.	

\*Please note these dates are indicative. Any changes to these dates will be updated on our website [bendigobank.com.au/managedfunds/fund-news](https://bendigobank.com.au/managedfunds/fund-news)

Further information regarding the wind up can be found in the enclosed Frequently Asked Questions. If you have any questions, please contact Sandhurst on **1800 634 969**.

Yours sincerely,



**Justin Hoare** Head of Superannuation & Funds

The Bendigo Income Generation Fund is issued by Sandhurst ABN 16 004 030 737 AFSL 237906, a subsidiary of the Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879. The information is correct as of 12 December 2023 and subject to change.

## Termination of Bendigo Income Generation Fund – Frequently Asked Questions

Questions	Answers
<b>Why did the Sandhurst Board think it was in the best interests of investors to wind up the Fund?</b>	The Board was of the view that due to the withdrawal of funds from a significant unitholder impacting the total amount of funds under management, the Fund will not be able to meet its investment objectives, and the Fund would need an increase to management costs to remain sustainable. Neither of these outcomes are in investors' best interests.
<b>Does Sandhurst have the right to terminate the Fund without investors approval?</b>	The Fund's constitution provides Sandhurst the right to terminate the Fund by issuing a notice to investors with no lead time required however Sandhurst has chosen to give a notice period to you. The termination and wind up process in this manner does not require a resolution or approval from investors.
<b>What does this mean for the Fund?</b>	Once all accounts have been closed and net proceeds have been distributed, the Fund will be deregistered with the Australian Securities and Investments Commission (ASIC). This means that the Fund will cease to exist as a registered managed investment scheme.
<b>I have a Regular Savings Plan (RSP), what do I do?</b>	All existing RSPs will be stopped immediately so no action is required from you.
<b>Will I or the Fund lose any money because of this closure?</b>	Sandhurst will bear the costs of winding up the Fund including costs associated with the selling the assets. Accordingly, the net asset value (NAV) of the Fund will not be impacted by early withdrawals or the wind up. All investors are treated equally regardless of whether they choose to withdraw their units before the termination date or not. Withdrawals will be valued on the date your withdrawal request is received. The final NAV will be determined on the termination date of 9 January 2024. The unit price will vary between now and the early withdrawal date and the termination date, depending on the movement of market value of the investments in the Fund. The amount you receive may be lower than the amount you initially invested.
<b>Why can't I access my funds during the 3 weeks commencing 9 January 2024?</b>	The Fund will terminate on 9 January 2024 and then proceed with completing the wind up process of the Fund. The wind up process requires Sandhurst to account for all assets and liabilities of the Fund and distribute the net proceeds to investors who remain investors as at the termination date. Accordingly, no access to funds is allowed to ensure the wind up process is done in an orderly manner. This process is expected to take 3 weeks to complete.
<b>What does 'account for all assets' mean?</b>	This process involves Sandhurst converting the Fund's assets to cash and paying all Fund liabilities and costs. The net cash proceeds will be distributed to investors on a pro rata basis according to the number of units held by investors remaining in the Fund as at close of business 9 January 2024.
<b>I want to switch into another fund before 8 January 2024, what do I have to do?</b>	<ol style="list-style-type: none"> <li>1) Visit the Bendigo Bank website <a href="http://bendigobank.com.au/managedfunds">bendigobank.com.au/managedfunds</a> to find out more about the other products we have on offer. Please obtain and read the relevant <b>PDS</b> and any other important information available at <a href="http://bendigobank.com.au/managedfundsforms">bendigobank.com.au/managedfundsforms</a> before making an investment decision.</li> <li>2) Consider your situation and speak with your adviser if you have one, to determine if it is the right product for you.</li> <li>3) Complete and sign the Switch Form available at <a href="http://bendigobank.com.au/managedfundsforms">bendigobank.com.au/managedfundsforms</a></li> <li>4) Send the completed Switch Form to the address below. The switch form must be received prior to 8 January 2024, 12 noon Melbourne time. Sandhurst Trustees Limited Funds Administration GPO Box 4314 MELBOURNE VIC 3001</li> </ol>
<b>I have invested into the Fund and have incurred a loss - will you reimburse me?</b>	No, as outlined in the PDS, an investment in the Fund carries a number of risks which can impact your return on your investment, one of which is the Fund could be terminated.
<b>Who can I speak to for more information?</b>	If you have any further questions, please contact one of the following: <ul style="list-style-type: none"> <li>• your financial adviser,</li> <li>• Wealth Concierge via your local branch, or</li> <li>• Call us on 1800 634 969</li> </ul>