

Orion Wholesale Australian Share Fund
APIR Code: HOW0020AU

Update on important changes to the management of the Orion Wholesale Australian Share Fund ARSN: 107 016 866 (Fund)

I refer to our email below, dated 2 December 2013, informing you of staffing changes announced by Orion Asset Management Pty Ltd (Orion) that prompted us to review the management of the Fund. Over the subsequent week, we have had detailed discussions with Orion and during our discussions, Orion confirmed that it continues to have a well-resourced team in place that is managing both the Fund and other institutional client mandates. Orion has, however, given notice to Fidante that it plans to retire as investment manager of the Fund as at 31 January 2014.

New investment manager

In order to provide for continuous and active investment management of the Fund's portfolio and a prompt resolution, we conducted a review of Australian equity managers with whom Fidante Partners has an existing relationship. Our aim was to identify a manager with the skills necessary to deliver consistently strong performance to investors and significant capacity to grow the Fund over time.

As a result of this review, WaveStone Capital Pty Limited (**WaveStone**) will be appointed as investment manager of the Fund, effective from 1 February 2014.

About WaveStone

WaveStone was established in 2006 as a high conviction, boutique Australian equities manager. Their portfolios, which have been managed in a similar fashion to the Fund, have outperformed the S&P/ASX 300 Accumulation Index by 4.3% per annum over the past five years and 5.3% per annum since the track record commenced in March 2007^[1].

WaveStone aims to enhance the returns to investors by thoroughly analysing companies to determine sustainable competitive advantage. The key to this analysis is identifying companies which WaveStone believes display superior corporate DNA and operate within favourable industry dynamics which can deliver above market earnings growth. WaveStone considers the taxation consequences of investment decisions to be an important part of its investment philosophy.

The enclosed document provides some further details regarding WaveStone's team and investment capability.

Your client's ability to transact on their investment

On Monday 2 December 2013, we, as responsible entity of the Fund suspended applications into and withdrawals from the Fund effective from 3:00pm 29 November 2013 until further notice.

We have now lifted the suspension on withdrawals effective from 10 December 2013. Any withdrawal requests received during this period of suspension will be processed at the next available unit price after 3:00pm 10 December 2013. The Fund will continue to be closed to new and additional investments until a new Product Disclosure Statement (PDS) is issued. Any distributions made from the Fund may be reinvested according to the usual process.

We anticipate issuing a new PDS on or around 31 January 2014, prior to the appointment of WaveStone being effective. This new PDS will include details on WaveStone as the new appointed investment manager and will update the Fund's name to the WaveStone Wholesale Australian Share Fund.

What does this mean for your clients?

Orion remains committed to managing the Fund in the best interests of investors until 31 January 2014. WaveStone will take responsibility for the Fund's investments from 1 February 2014 but the Fund's investment objectives and strategy will not change.