

Sydney

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19 April 2013

Dear Adviser

Termination of the:

- **SG Hiscock Hybrid Property Fund (APIR code HBC0002AU); and**
- **SG Hiscock Wholesale Hybrid Property Fund (APIR code HBC0013AU)**
(collectively the 'Funds')

Currently, the above named Funds gain their exposure to direct property assets by investing in the SG Hiscock Premier Hybrid Property Fund (Underlying Fund).

We would like to advise that the Underlying Fund recently sold the Kings Cross Centre, 81-94 Kings Cross Road, Kings Cross, Sydney. This was the last direct property asset held by the Underlying Fund which means the Funds now have exposure to listed property securities and cash only. In light of this, we have taken the opportunity to conduct a thorough review of the Funds.

The Funds were originally established with the aim of providing investors with capital growth and some income over the medium term via exposure to direct property assets and listed property-related investments.

In August 2008, given the evidence at that time of market dislocation in the direct property market, the Funds were closed to new and additional investments, distribution re-investments and withdrawals. Since that time, the Funds have been able to make two withdrawal offers following the sale of several of the direct property assets held within the Underlying Fund. Consequently, the Funds have reduced to a size that is putting pressure on the costs associated with administering and managing the Funds.

We believe that there is no prospect of growing the assets of the Funds to help dilute these costs and with the Funds no longer having exposure to direct property assets, we believe that continuing to offer this product is no longer viable.

On 5 April 2013, Fidante Partners Limited, as responsible entity of the Funds, determined to terminate the Funds.

We will be writing to investors in the Funds to inform them of the termination of the Funds. For your reference we have enclosed a sample letter that will be sent to investors. You can access your clients' details on Adviser Online at www.fidante.com.au. If you do not have a log in, please contact our Adviser Services team on 1800 195 853.

We appreciate your patience and that of your clients over the past few years and through the termination process. If you would like further information about the termination, please contact your Fidante Business Development Manager or our Adviser Services team on 1800 195 853.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Vito D'Introno', with a stylized flourish at the end.

Vito D'Introno
General Manager
Retail Distribution
Challenger Limited



SAMPLE LETTER

Dear Investor

Termination of the SG Hiscock Hybrid Property Fund (Fund)

We would like to advise that the SG Hiscock Premier Property Fund (Underlying Fund) into which this Fund invests, recently sold the Kings Cross Centre, 81-94 Kings Cross Road, Kings Cross Sydney. This was the last direct property asset held by the Underlying Fund which means the Fund is now solely comprised of listed property securities and cash. In light of this, we have taken the opportunity to conduct a thorough review of the Fund.

The Fund was originally established with the aim of providing investors with capital growth and some income over the medium term via exposure to direct property assets and listed property-related investments.

In August 2008, given the market dislocation in the direct property market, the Fund was closed to new and additional investments, distribution re-investments and withdrawals. Since that time, the Fund has been able to make two withdrawal offers following the sale of several of the direct property assets held within the Underlying Fund. Consequently, the Fund has reduced to a size that is putting pressure on the costs associated with administering and managing the Fund.

We believe that there is no prospect of growing the assets of the Fund to help dilute these costs and with the Fund no longer having exposure to direct property assets, we believe that continuing to offer this product is no longer viable.

Termination of the Fund

On 5 April 2013, Fidante Partners Limited, as responsible entity of the Fund, determined to terminate the Fund. As such, we have begun the formal liquidation process of the remaining assets in the Fund and expect this process to take no more than three months.

We will make an initial payment to you once the assets are liquidated and a final payment once the Fund is wound up. We expect this to be completed by 30 June 2013.

Further information

If you wish to continue to have exposure to listed property securities, we offer the SG Hiscock Wholesale Property Securities Fund (APIR HBC0008AU) which aims to provide a quarterly income stream and some capital growth over the medium term, via exposure to property securities listed primarily on the Australian Securities Exchange and other exchanges in Australia or overseas. This further information is general information, not financial product advice and does not take into account any person's objectives, financial situation or needs. Because of that, any prospective investor or other person should, before acting on any such information or before making an investment decision in respect of the fund, obtain and consider the product disclosure statement for that fund and consider its appropriateness, having regard to their objectives, financial situation and needs. More information on this fund is provided in the fund's product disclosure statement available on our website

www.fidante.com.au or by calling 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 termination process. If you have any questions regarding the Fund or the termination process, please contact your financial adviser, visit our website www.fidante.com.au or call our Investor Services team on 13 51 53 or +61 2 9994 7000 from outside Australia during Sydney business hours.

Yours sincerely

A handwritten signature in black ink that reads 'W O'Reilly'.

Will O'Reilly
Head of Client Services
Fidante Partners

