

9 October 2012

**Sample letter for
financial advisers**

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Dear Investor

A proposed change to the Responsible Entity of the Australian Unity Second Industrial Trust

Australian Unity Property Investment Management Limited (**AUPIML**), (formerly known as Investa Funds Management Ltd) is the Responsible Entity for the Australian Unity Second Industrial Trust (**Trust**). AUPIML is responsible for the administration and management of the Trust, including the Trust's investment policy and objectives.

This letter is to:

- notify you that we are proposing to change the Trust's Responsible Entity from Australian Unity Property Investment Management Limited to Australian Unity Funds Management Limited (**AUFM**) ABN 60 071 497 115 AFS Licence No. 234454;
- explain to you the reasons for the change, the process required, and your rights in relation to the proposed change of Responsible Entity;
- confirm that there is no change in your investment or the income of the Trust as a result of the proposed change; and
- outline to you that the practical operation and management of the Trust including staff, resources and systems, compliance, investor services, communications and information technology remain the same, as both AUFM and AUPIML are both part of the Australian Unity Investments funds management business.

Why change the Second Industrial Trust's Responsible Entity?

Australian Unity Investments has grown over many years, and part of this growth has come about from mergers and acquisitions. As a result, today it operates several business entities which are substantially the same in the Responsible Entity services provided to its investors. Australian Unity Investments aims to bring those activities that are similarly aligned together under a single Responsible Entity structure, therefore improving effectiveness and helping to minimise the costs for investors.

Importantly, the proposed change in Responsible Entity will not impact your investment or the income of the Trust. It does provide management and the board (which is comprised predominantly of independent directors) an increased ability to focus on the strategic management of the Trust in the best interest of investors, and further strengthens internal processes pertaining to investment management and corporate governance. The change in Responsible Entity will reduce internal duplication of administrative processes, with flow on benefits by minimising reimbursable expenses borne by the Trust, (for example, asset registration, printing, and notices to investors).

About Australian Unity Funds Management Limited

Australian Unity Funds Management Ltd is a wholly owned subsidiary of Australian Unity Limited ABN 23 087 648 888, and is part of the Australian Unity Investments' funds management business.

AUFM was established in 1995 and is the Responsible Entity for 22 managed investments schemes with total funds under management of \$3.5 billion (at 31 August 2012) on behalf of over 16,000 investors.

Key aspect of the change for investors

There are several important points to note about the proposed change of Responsible Entity:

- There is no change to the Trust's investment strategy or the key staff that manage the properties and your investment in the Trust.
- There is no impact on valuations of the Trust's assets or on income investors would otherwise receive.
- There is no change of directors responsible for the Trust as the directors of AUFM and AUPIML are the same people with the same responsibilities. We have enclosed with this letter a document detailing each of the directors and their investment experience for your information.
- The net assets of AUFM are greater than the net assets of AUPIML.
- To provide investors with additional assurance, Investment Managers Insurance for AUPIML will be maintained following its retirement for a period of five years. AUFM does and will continue to maintain insurance on identical terms and conditions as that which has been in place for AUPIML.

Your rights in relation to the approval of the proposed change

Under the provisions of the Corporations Act you have the right to request a vote regarding the proposal to change the Responsible Entity. The Australian Securities and Investments Commission (**ASIC**) has given relief from the Corporations Act provisions which would otherwise require the proposed change of Responsible Entity to occur with a formal meeting. The relief given by ASIC requires that notice is given to investors, who may then exercise the right to request a postal vote on the proposal. The voting process will however, only be implemented if:

- investors holding at least 5% of the total value of all units issued in the Trust; or
- at least 100 investors in total

request a vote upon the choice of Responsible Entity, and do so within 21 days of this notice being sent to you.

If the request for a voting process is received within that time frame and from the required number of investors in the Trust, we will then arrange for voting papers to be sent to all investors in the Trust.

If you **want a voting process to be conducted** to consider the appointment of AUFM as the Responsible Entity of the Trust, you should complete the Vote Request Form and return it to us by no later than 31 October 2012.

If you accept that AUFM be appointed as Responsible Entity of the Australian Unity Second Industrial Trust, then you do not need to take any further action.

Timeline for the proposed Responsible Entity change

- The date of this letter provides notice to investors in the Trust of the proposed change.
- Investors now have the option of requesting a vote for the proposed resolution to change the Responsible Entity. If an investor would like to request a vote, the form enclosed with this letter must be received by us no later than 31 October 2012.
- If the prescribed number of requests for a voting process are received, AUPIML will then arrange for a postal voting process. This will mean voting forms will be mailed out to each investor to vote on a resolution for the choice of the proposed Responsible Entity.
- If there is insufficient demand for a vote on the proposed change, AUFM will be appointed the Responsible Entity on 2 November 2012.

Please find enclosed with this letter, some additional information about the proposed change, including:

- *Director Fact Sheet* – This document provides details about the directors of AUPIML and AUFM, as well as their investment and financial services experience.
- *Vote Request Form* – Please note, completion of this form is voluntary and is not required in order for the proposed change to proceed. However, if you would like to request a vote on the resolution to change the Trust's Responsible Entity, please complete the form and return to Australian Unity Investments by 31 October 2012.

Requiring more information about the proposed change?

Information about the proposed change to the Responsible Entity and any updates and alterations to this timetable can be found on our website - australianunityinvestments.com.au/sit.

If you have any questions about your investment or the role of the Responsible Entity with regards to your investment, we encourage you to speak with your financial adviser.

Alternatively, you can call a member of our Investor Services Team on **13 29 39** or email us at investments@australianunity.com.au. More information about the Trust can also be found at our website - australianunityinvestments.com.au/sit

Thank you for investing with Australian Unity Investments.

Yours sincerely,



David Bryant
Chief Executive Officer
Investments