



16 October 2020

Dear SURF 1 Investor,

We refer to our earlier Fund Updates and are pleased to confirm that all of the properties of SURF 1 were sold in late 2019.

TERMINATION OF SURF 1 - WHAT DOES TERMINATION OF THE FUND MEAN FOR YOU?

As result of the decision to wind up the Fund, the proceeds from the sale of SURF 1's assets, less all of the Fund's liabilities (**Net Proceeds**), will be distributed to members in proportion to the number of SURF 1 Units held. Below is the expected timeframe for the distribution of the Net Proceeds:

1. Payment of expenses associated with the sale of SURF 1's assets – 28 January 2020 - Complete
2. Payment of January Distribution (including capital return) of \$1.02100 – 28 January 2020 - Complete
3. Further Interim Distribution to Unitholders of \$0.13500 – 21 April 2020 - Complete
4. Payment of fees to Fund Manager – June 2020 - Complete
5. Completion of the Fund accounts for year ended June 2020 – Complete
6. Payment of performance fee to Fund Manager – October 2020
7. Final residual distribution to Unitholders –\$0.00625 paid on or about 16 October 2020
8. Completion of the Final Fund accounts for the period to wind up

The Constitution of SURF 1 provides that all Units in the Fund will be cancelled and taken to be redeemed from the date the final distribution of the Net Proceeds is made. As noted above, this is expected to occur on or about 16 October 2020. The wind up and de-registration of SURF 1 is expected to be completed in late 2020.

The internal rate of return of the fund over the five years was slightly in excess of 11% per annum. Total monies returned to unitholders over the term of SURF 1, including all prior distributions (including capital and income and the final distribution of \$0.00625 cents per unit) was \$1.49145 per \$1.00 invested on 1 October 2015. We believe that the SURF 1 returns have been compelling taking into account the difficulties faced in the retail industry since SURF 1 was launched in 2015.

This is the final update you will receive on the Fund. You will receive your Attribution Managed Investment Trust Member Annual Statement for the period from 1 July 2020 to the termination date of the Fund after the termination is complete. This is expected to be by early 2021.

Thank you for investing in SURF 1.

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