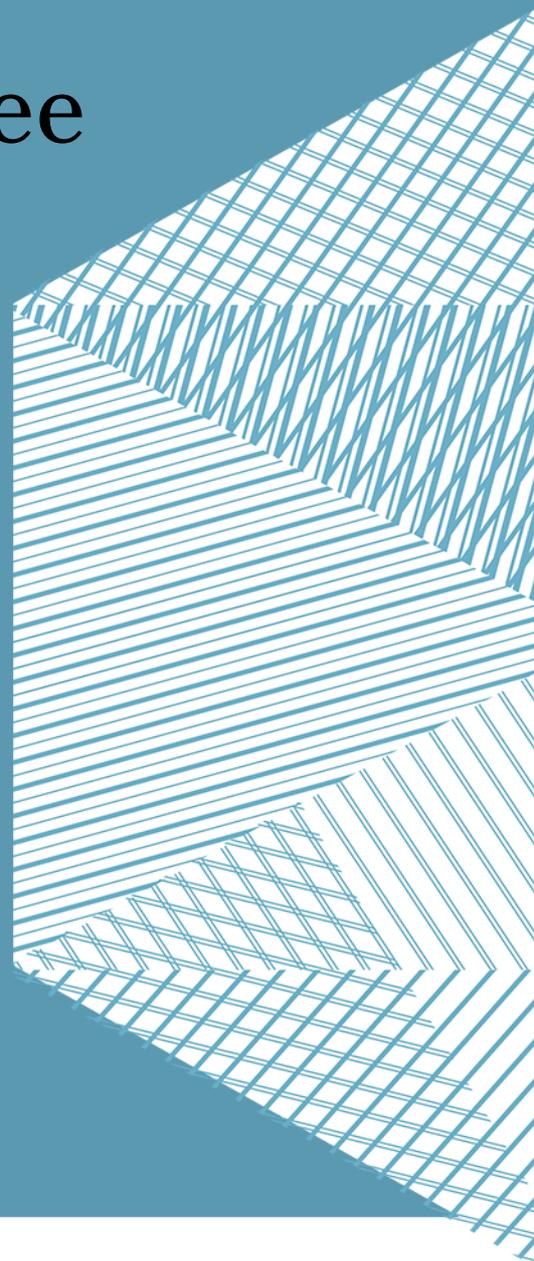


# Powerwrap Limited Investment Committee Charter

August 2016



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## Establishment of Committee

The Investment Committee (“Committee”) is established by the Powerwrap Board to satisfy its obligations as both the Responsible Entity of a managed investment scheme (“Powerwrap Investment Account”); and the Investment Consultant to the Trustee of a regulated and complying superannuation Fund (“Powerwrap Superannuation and Pension Account”).

## Purpose

The purpose of this charter is to set up the functions and authority of Powerwrap Limited’s (the company) investment committee to ensure that the company makes informed and transparent investment decisions in the best interests of scheme investors and super fund members.

## Membership

The Committee will consist of a minimum of four members, three Directors and the CEO.

The Chairman of the Committee is appointed by the Board of Powerwrap.

## Functions and responsibilities

The Investment Committee is an internal committee established to consider proposed and actual investments made available through the Scheme and the superannuation fund. It will do so by setting parameters and guidelines for Scheme investments, and investment strategies available to Members of the superannuation plan.

The CEO or their designated representative will assess actual and proposed investments against the Investment Committee’s criteria for investments that satisfy a minimum ratings criteria established by the Investment Committee. If an investment does not meet these criteria it must be:

- Rejected; or;
- Referred back to the Investment Committee for further consideration.

The company takes this delegated authority in relation to the investment function of the Responsible Entity. The Investment Committee will enable the company to execute investment decisions.

## Committee operations

- i. The board may appoint, remove or replace the members of the committee.
- ii. The committee must always have a majority of members who are independent (i.e. not executives of Powerwrap, not major shareholders of Powerwrap, free from conflicts of interests such as margin loans, investments, previous history as an auditor, major distribution partner, competitor.)

- iii. A member may nominate another person with appropriate delegation to attend a meeting on their behalf if they are not available on a temporary basis.
- iv. The committee chairperson is responsible for the professional conduct of meetings and is primarily accountable to the board for the actions and performance of the investment committee.
- v. The secretary of the committee will be appointed from time to time by the committee.
- vi. A quorum of the committee is three. If the majority of the members of the committee are present at any meeting at which a quorum is present then this is deemed to be a valid committee meeting. If a quorum of three committee members approves a Circular Resolution requesting approval for the addition of assets to the Approved Products List for Powerwrap, this is deemed to be valid approval for the request tabled.
- vii. The chairperson and members of the committee may convene meetings of the committee by notice to committee members.
- viii. The chairperson and members of the committee may invite non-member attendees to participate in the committee meeting, such non member attendees have no voting rights.
- ix. The committee may form a subcommittee to deal with any issues as considered appropriate from time to time. The committee may delegate the workload to such sub-committees but is responsible, (and though such delegation the board of Powerwrap is responsible) for the consequences of decisions made by any such sub-committee.
- x. The committee may appoint a member of the committee to deal with confidential or highly conflicted issues which it considers appropriate to deal with in a confidential manner.
- xi. The committee shall produce minutes of committee meetings which shall be circulated to the board of Powerwrap and held on file by the Company Secretary.
- xii. The board of Powerwrap shall annually review the following matters related to the investment committee:
  - Performance of the committee,
  - The contribution of individual members to the performance of the committee; and
  - The appropriateness of the committee composition.

## Access

The Committee has access to the Board of Powerwrap and management of Powerwrap on giving a reasonable period of notice.

## Reports

The Committee, through its Chairman, will report to both the Board of Powerwrap following each meeting, and minutes of all Committee meetings and any relevant attachments will be circulated to

members of the Board of Powerwrap and made available to the Trustee as required to satisfy Powerwrap's obligations under the Investment Consulting Agreement.

### **Independent Advice**

Subject to the prior consultation with Powerwrap and the Trustee in carrying out its functions, the Committee may commission independent legal, accounting or other professional advice or assistance, at the reasonable expense of Powerwrap.

### **Effective date**

These Terms of Reference are effective from 31 August 2016 and remain in force until further notice.