



21 September 2018

Company Announcements Office
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

Elanor Investors Group Notice of 2018 Annual General Meeting

Please find attached a Notice of 2018 Annual General Meeting and Explanatory Statement, and Proxy Form, for shareholders of Elanor Investors Limited and unitholders of Elanor Investment Fund, (together, "Elanor Investors Group").

The Annual General Meeting is being held at 10.30am Sydney time, on Tuesday 23 October 2018, at Computershare Investor Services, Level 4, 60 Carrington Street, Sydney NSW 2000.

Yours sincerely

Symon Simmons
Company Secretary
Elanor Investors Group



NOTICE OF 2018

ANNUAL GENERAL MEETING

AND EXPLANATORY STATEMENT



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Elanor Investors Limited (“**EIL**” or “the Company”) and Elanor Investment Fund (“**EIF**”), (together “**Elanor**” or “**the Group**”) will be held:

on Tuesday 23 October 2018

at 10.30 am Sydney time

at Computershare Investor Services, Level 4, 60 Carrington Street, Sydney NSW 2000

for the purpose of transacting the items of business set out below.

The attached Explanatory Statement is provided to supply shareholders and unitholders (together “**Securityholders**”) with information to enable Securityholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.



ITEMS OF BUSINESS

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual statements and reports of the Group for the financial year ended 30 June 2018.

2. ADOPTION OF THE REMUNERATION REPORT

Resolution 1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution** of EIL:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Group's annual report for the financial year ended 30 June 2018."

Short explanation: EIL is required to put a resolution to adopt the remuneration report of the Group at each annual general meeting. This is an advisory resolution only and does not bind the Directors or EIL.

Voting exclusion: A voting exclusion applies to this resolution – details are set out in the Explanatory Statement.

3. RE-ELECTION OF EIL DIRECTOR – MR NIGEL AMPHERLAW

Resolution 2

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution** of EIL:

"That, for the purpose of the Constitution and for all other purposes, Mr Nigel Ampherlaw, a non-executive Director who retires by rotation, and being eligible, is re-elected as a non-executive Director of the Company."

Short explanation: Mr Nigel Ampherlaw is currently a non-executive Director, and is presented for re-election in accordance with the rotation requirements of EIL's Constitution.

4. APPROVAL OF ADDITIONAL PLACEMENT CAPACITY

Resolution 3

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution** of each of EIL and EIF:

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Group to issue Equity Securities up to 10% of the issued capital of the Group (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, to be issued on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Short explanation: ASX Listing Rule 7.1A permits eligible entities to obtain Securityholder approval to issue an additional 10% of the entities issued Equity Securities during a 12 month period. Securityholder approval must be given by a special resolution (at least 75% approval) at an annual general meeting.

Voting exclusion: A voting exclusion applies to this resolution – details are set out in the Explanatory Statement.



5. GRANT OF RESTRICTED SECURITIES TO THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Resolution 4

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution** of each of EIL and EIF:

“That, for the purposes of ASX Listing Rule 10.14 and all other purposes, approval is given for the issue of up to a maximum of 700,000 Restricted Securities to the Managing Director and Chief Executive Officer (in relation to the FY19 deferred STI award) under the Elanor Investors Group Short Term Incentive Plan, on the terms summarised in the Explanatory Statement.”

Short explanation: Elanor Investors Group may issue Restricted Securities (in relation to the FY19 deferred STI award) to incentivise the Managing Director and Chief Executive Officer on the terms summarised in the Explanatory Statement.

Voting exclusion: A voting exclusion applies to this resolution – details are set out in the Explanatory Statement.

6. APPROVAL OF SECURITIES ISSUED UNDER THE ELANOR INVESTORS GROUP EXECUTIVE LOAN SECURITY PLAN

Resolution 5

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution** of each of EIL and EIF:

“That any equity securities issued under the Elanor Investors Group Executive Loan Security Plan be approved as an exception to ASX Listing Rules 7.1 and 7.1A (Exception 9 of ASX Listing Rule 7.2), on the terms which are described in the Explanatory Statement, during the three years following the date of this meeting.”

Short explanation: Elanor Investors Group may grant Loan Securities under the Elanor Investors Group Executive Loan Security Plan in future years, to incentivise key executives and employees. This resolution refreshes the three year approval granted in 2014.

Voting exclusion: A voting exclusion applies to this resolution – details are set out in the Explanatory Statement.



HOW TO VOTE – VOTING NOTES

These Voting Notes should be read together with and form part of the Notice of Meeting.

1. SECURITYHOLDERS ELIGIBLE TO VOTE

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, Elanor has determined that for the purposes of the Meeting, all Securities will be taken to be held by the registered holders at 7pm Sydney time on 21 October 2018.

Accordingly, Security transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

2. ADMISSION TO MEETING

If you will be attending the Annual General Meeting and you will not appoint a proxy, please bring your proxy form (if you still have one) to the meeting to help speed admission. Your proxy form contains identification details that can be scanned upon entry. You will be able to register from 9:30 am on the day of the meeting. If you do not bring your proxy form with you, you will still be able to attend and vote at the Annual General Meeting, but representatives from Computershare will need to verify your identity.

3. PROXIES

If you are eligible to vote but do not plan to attend the AGM, you are encouraged to complete and return a proxy form. You are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes.

A proxy need not be a Securityholder of Elanor. If you want to appoint one proxy, you can use the form provided. If you want to appoint two proxies, please follow the instructions on the proxy form. If you sign and return a proxy form and do not nominate a person to act as your proxy, the Chair will be appointed as your proxy by default.

The Constitution provides that on a show of hands, every person present and entitled to vote has one vote. If you appoint a proxy who is also a Securityholder or is also a proxy for another Securityholder, your directions may not be effective on a show of hands. Your directions will however be effective if a poll is taken on the relevant resolution.

4. WHERE TO LODGE YOUR PROXY

You may lodge a proxy by following the instructions set out on the proxy form accompanying this Notice of Meeting. To be effective the proxy must be received by Computershare in accordance with the instructions on the proxy form at the postal address, fax number or website below, **not later than 10.30am Sydney time on 21 October 2018:**

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3000 Australia

Or to: Fax 1800 783 447
if overseas to: +61 (3) 9473 2555

Or: Online at www.investorvote.com.au
Instructions on how to lodge online can be found on the proxy form

5. CORPORATE REPRESENTATIVES

A corporate Securityholder wishing to appoint a person to act as its representative at the AGM may do so by providing that person with:

- a letter, certificate or form authorising him or her as the corporate Securityholder's representative, executed in accordance with the corporate Securityholder's Constitution; or
- a copy of the Resolution appointing the representative, certified by a secretary or director of the corporate Securityholder.

A form may be obtained from the Computershare website at www.investorcentre.com under the information tab "Downloadable Forms".

6. APPOINTMENT OF THE CHAIR OR OTHER KEY MANAGEMENT PERSONNEL AS YOUR PROXY

Due to the voting exclusions and requirements referred to in the Notice of Meeting, if you intend to appoint any Director or Key Management Personnel or their Closely Related Parties, **other than the Chair**, as your proxy, you should direct your proxy how to vote on Resolution 1 (Adoption of the Remuneration Report), Resolution 4 (Grant of Restricted Securities to the Managing Director and Chief Executive Officer), and Resolution 5 (Approval of Securities issued under the Elanor Investors Group Executive Loan Security Plan) by marking either "For", "Against" or "Abstain" on the proxy form for the relevant item of business.

If you do not direct such a proxy how to vote on that Resolution, they will **not** be able to vote an undirected proxy and your vote will not be counted on that Resolution. This does not apply to the Chair, who is able to vote undirected proxies on all Resolutions.

7. HOW THE CHAIR WILL VOTE UNDIRECTED PROXIES

The Chair intends to vote any undirected proxies in favour of all five Resolutions.

You should note that if you appoint the Chair as your proxy, or the Chair is appointed your proxy by default, you will be taken to authorise the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If you wish, you can appoint the Chair as your proxy and direct the Chair to cast your votes contrary to the above stated voting intention or to abstain from voting on a Resolution. Simply mark your voting directions on the proxy form before you return it.

8. VOTING EXCLUSIONS

Certain voting exclusions apply to Resolutions 1, 3, 4 and 5 – details are set out in the Explanatory Statement.

By order of the Board



Symon Simmons

Company Secretary

Date: 21 September 2018



EXPLANATORY STATEMENT TO THE NOTICE OF ANNUAL GENERAL MEETING

This Explanatory Statement is intended to provide Securityholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Securityholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Group for the financial year ended 30 June 2018.

The Group is not required to provide a hard copy of the Group's annual financial report to Securityholders unless a Securityholder has specifically elected to receive a printed copy.

Whilst the Group will not provide a hard copy of the Group's annual financial report unless specifically requested to do so, Securityholders may view the Group's annual financial report on its website at <http://www.elanorinvestors.com>.

Securityholders will be offered the following opportunities:

- (a) discuss the Annual Financial Report for the financial period ended 30 June 2018;
- (b) ask questions to, and make comments on, the management of the Group; and
- (c) ask the auditor, Deloitte Touche Tohmatsu, questions about the conduct of the audit and preparation and content of the auditor's report.

2. INFORMATION RELATING TO RESOLUTION 1

Adoption of the Remuneration Report

General

The Corporations Act requires that at a listed Group's Annual General Meeting, a resolution that the Remuneration Report be adopted must be put to the Securityholders. However, such a resolution is advisory only and does not bind the Directors or the Group.

The Remuneration Report sets out the Group's remuneration arrangements for the Directors and senior management of the Group. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Group for the financial year ended 30 June 2018.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Voting Consequences

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Securityholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) must stand for re-election.

Proxy Restrictions

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Proxy Form for Resolution 1.

If you appoint a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report (who is not the Chairman) or a closely related party of that member as your proxy, and you do not direct that person on how to vote on this Resolution 1, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution 1.

The Chairman intends to vote all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the proxy form you are giving express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Key Management Personnel of the Group are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The Remuneration Report identifies the Group's Key Management Personnel for the financial year to 30 June 2018. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

Voting Exclusion

A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons (the "voter"):

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, the voter may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (a) the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on Resolution 1; or
- (b) the voter is the chair of the Meeting and has been appointed as a proxy (expressly or by default) without being directed how to vote on the Resolution.

3. INFORMATION RELATING TO RESOLUTION 2

Re-election of EIL Director – Mr Nigel Ampherlaw

General

Rule 22 of the EIL Constitution requires that, while the Group is listed, at least one of the Directors (except the Managing Director) must retire at each annual general meeting. No Director (except a Managing Director) shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

Mr Nigel Ampherlaw is a non-executive Director of the Group. He was elected on 13 June 2014, re-elected on 12 November 2015 and retires in accordance with these provisions and, being eligible, offers himself for re-election as a Director.



Details of the qualifications and expertise of Mr Ampherlaw are set out in the 2018 Annual Report of the Group.

Recommendation

The Board (other than Mr Ampherlaw) recommends the re-election of Mr Ampherlaw as a Director.

4. INFORMATION RELATING TO RESOLUTION 3

Approval of Additional Placement Capacity

General

ASX Listing Rule 7.1 permits entities to issue 15% of its issued capital without Securityholder approval in a 12 month period, subject to a number of exceptions.

ASX Listing Rule 7.1A permits eligible entities, which have obtained Securityholder approval by special resolution, to issue Equity Securities up to an additional 10% of its issued capital by placements over a 12 month period after the annual general meeting ("Additional Placement Capacity").

The Group seeks Securityholder approval under this Resolution to be able to issue Equity Securities under the Additional Placement Capacity. The exact number of Equity Securities to be issued is not fixed and will be determined in accordance the formula prescribed in ASX Listing Rule 7.1A.2 (set out below).

Requirements of ASX Listing Rule 7.1A

- (a) Eligible entities: An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Group is an eligible entity;
- (b) Securityholder approval: Securityholders must approve the Additional Placement Capacity by special resolution at the annual general meeting. A resolution under ASX Listing Rule 7.1A cannot be put at any other Securityholder meeting;
- (c) Equity Securities: Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Securities of the Group that are quoted on ASX. As at the date of this Notice, the Securities that are quoted on ASX are fully paid ordinary shares stapled with fully paid units; and
- (d) Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity.

If this Resolution is passed, the Group may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

$(A \times D) - E$

A	<p>The number of Securities on issue 12 months before the date of issue or agreement:</p> <ul style="list-style-type: none"> • plus the number of fully paid Securities issued in the 12 months under an exception in ASX Listing Rule 7.2; • plus the number of partly paid securities that became fully paid in the 12 months, if any; • plus the number of fully paid securities issued in the 12 months with the approval of Securityholders under ASX Listing Rules 7.1 or 7.4; • less the number of fully paid Securities cancelled in the 12 months, if any.
D	10%
E	<p>The number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Securityholders under ASX Listing Rules 7.1 or 7.4.</p>

Note: no Securities were partly paid and no Securities have been cancelled.

Interaction between ASX Listing Rules 7.1 and 7.1A. The Group has 93,015,503 Securities on issue as at the date of this Notice. If this Resolution is passed, the Group will be permitted to issue 9,301,550 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Securities that the Group will be permitted to issue under ASX Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out above).

The effect of this Resolution will be to allow the Group to issue securities under ASX Listing Rule 7.1A without using the Group's placement capacity under ASX Listing Rule 7.1.

Information for Securityholders as required by ASX Listing Rule 7.3A

(a) **Minimum price:** The issue price of the new Equity Securities will be no lower than 75% of the volume weighted average price (VWAP) for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 trading days of the date above, the date on which the Equity Securities are issued.

(b) **Risk of economic and voting dilution:** If this Resolution is passed and the Group issues securities under the Additional Placement Facility, existing Securityholders' voting power in the Group will be diluted.

There is the risk that:

- the market price for the Group's existing Securities may be lower or significantly lower on the date of issue of the new Securities than on the date of the Meeting; and
- the new Securities may be issued at a price that is at a discount to the market price of the Group's existing Securities on the issue date or the new Securities may be issued as part of the



consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the new Securities.

The table below shows the dilution of existing Securityholders on the basis of the current market price of Securities and the current number of Securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice. The hypothetical table also illustrates:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of Securities the Group has on issue. The number of Securities may increase as a result of issues of Securities that do not require Securityholder approval (for example a pro-rata entitlement issue) or future placements under ASX Listing Rule 7.1 that are approved by Securityholders in the future;
- two examples of where the issue price of Equity Securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution \$0.98 50% decrease in Issue Price	\$1.98 Issue Price	\$3.92 100% increase in Issue Price
Current Variable A	10% Voting Dilution	9,301,550 Securities	9,301,550 Securities	9,301,550 Securities
93,015,503 Securities	Funds raised	\$9,208,535	\$18,417,070	\$36,834,139
50% increase in current Variable A	10% Voting Dilution	13,952,325 Securities	13,952,325 Securities	13,952,325 Securities
139,523,255 Securities	Funds raised	\$13,812,802	\$27,625,604	\$55,251,209
100% increase in current Variable A	10% Voting Dilution	18,603,101 Securities	18,603,101 Securities	18,603,101 Securities
186,031,006 Securities	Funds raised	\$18,417,070	\$36,834,139	\$73,668,278

This table has been prepared on the following assumptions:

- The Group issues the maximum number of Securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Securityholder by reason of placements under the Additional Placement Capacity, based on that Securityholder's holding at the date of the Meeting.

- The table shows only the effect of issues of Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1. The Group's ability to issue securities under ASX Listing Rule 7.1A is in addition to its ability to issue securities under ASX Listing Rule 7.1.
 - The issue of Equity Securities under the Additional Placement Capacity consists only of Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those Options are exercised into Securities for the purpose of calculating the voting dilution effect on existing Securityholders.
 - The issue price is \$1.98, being the closing price of the Securities on ASX on 21 August 2018.
- (c) **Placement Period:** Securityholder approval of the Additional Placement Capacity under ASX Listing Rule 7.1A is valid from 23 October 2018 (the date of this Meeting) and expires on the earlier of:
- 22 October 2019, which is 12 months after this AGM; or
 - the date that Securityholders approve a transaction under ASX Listing Rule 11.1.2 (significant change to nature or scale of activities) or ASX Listing Rule 11.2 (disposal of the main undertaking), or such longer period as allowed by ASX (the "**Placement Period**").

The Group will only issue and allot new securities during the Placement Period. The approval will cease to be valid in the event that Securityholders' approve a transaction under ASX Listing Rules 11.1.2 or 11.2.

- (d) **Purposes for which the new Equity Securities may be issued:** The Group may seek to issue new Equity Securities for the following purposes:
- cash consideration to raise funds for the acquisition of new assets or investments (including the expenses associated with such acquisition), continued expenditure on the Group's current assets and for general working capital; or
 - non-cash consideration for acquisition of new assets and investments or for the payment of goods or services provided to the Group. In such circumstances the Group will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.
- (e) **Allocation policy:** The Group's allocation policy for the issue of new Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:
- the methods of raising funds that are available to the Group, including but not limited to, a placement or a rights issue;
 - the effect of the issue of new Securities on the control of the Group;
 - the financial situation and solvency of the Group; and
 - advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the potential allottees are not known and there is no current intention to issue any new Securities under the Additional Placement Capacity but the group wishes to maintain maximum flexibility. Potential allottees could include existing substantial Securityholders and/or new Securityholders. No allottee under the Additional Placement Capacity will be a related party or associate of a related party. Existing Securityholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible that their shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments then it is likely that the allottees will be the vendors of the new assets.

The Group will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A on the issue of any new securities.



- (f) **Details of Equity Securities issued in the 12 months preceding the date of Meeting:** Pursuant to Listing Rule 7.3A.6 (a) and (b) the following information is provided to Securityholders:
- The total number of Equity Securities issued in the 12 months before this Meeting (that is, since 17 October 2017) is 263,274.
 - The 263,274 Equity Securities are fully paid ordinary stapled securities and were issued pursuant to the Elanor Investors Group Deferred Short Term Incentive Plan on 27 June 2018 at \$1.9986 per security on the same terms as existing Stapled Securities on issue.

Voting Exclusion

EIL and EIF will disregard any votes cast in favour of this Resolution 3 by a person who may participate in the proposed issue and a person who might obtain a benefit (except a benefit solely in the capacity of a Securityholder) if the Resolution is passed and any associates of those persons. However, EIL and EIF need not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

At the date of this Notice, the Group has not approached any particular existing Securityholder or an identifiable class of existing Securityholder to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Securityholder's votes will therefore be excluded under the voting exclusion in the Notice.

5. INFORMATION RELATING TO RESOLUTION 4

Grant of Restricted Securities to the Managing Director and Chief Executive Officer

The Group is proposing to grant Restricted Securities (as described below) to the Managing Director and Chief Executive Officer, Mr Glenn Willis, under the Elanor Investors Group Deferred Short Term Incentive Plan (Plan) on the terms and conditions outlined below.

Overview of the Plan

The Group established the Plan to enable a portion of executives' annual cash STI bonus to be delivered as a grant of Restricted Securities in the Group, which may vest subject to satisfaction of the relevant vesting conditions over the vesting period.

Why is Securityholder approval being sought?

ASX Listing Rule 10.14 requires Securityholder approval in order for a Director to be issued Securities in the Group under an employee incentive scheme.

In order to provide the Board with the flexibility to make the grant to Mr Glenn Willis using either securities acquired on-market or newly issued securities, as considered appropriate at the time of grant, approval is being sought for the proposed grant of Restricted Securities to Mr Glenn Willis.

Securityholders are therefore being asked to approve the grant of Restricted Securities, up to a maximum of 700,000 Restricted Securities, to Mr Glenn Willis under the Elanor Investors Group Deferred Short Term Incentive Plan, on the terms and conditions set out below.

Approval of this resolution will also result in the Restricted Securities granted to Mr Glenn Willis being an exception to ASX Listing Rule 7.1.



Further details of Mr Glenn Willis' total remuneration package can be found in the Annual Report.

Key terms of the grant to Mr Glenn Willis

A brief overview of the key terms of the proposed Restricted Securities grant to Mr Glenn Willis is set out below.

Term	Detail
Details of the proposed Restricted Securities grant	<p>The total maximum number of Restricted Securities proposed to be granted to Mr Glenn Willis in relation to the FY19 STI award, is 700,000.</p> <p>The actual number of Restricted Securities that will be granted to Mr Glenn Willis will be calculated by dividing 50% of his actual FY19 STI award outcome by the volume weighted average price (VWAP) of the Group's securities over the 5 trading days immediately prior to the date of grant. Mr Glenn Willis' actual FY19 STI award outcome has not yet been determined. The actual FY19 STI award outcome will be determined by the Board based on their assessment of the Group's profit performance for FY19.</p> <p>The Group may issue new Securities, procure the acquisition of securities on-market or transfer Securities from an employee share trust, in making the grant of Restricted Securities.</p>
Entitlements	<p>Each Restricted Security is a security in the Group that is subject to trading restrictions from the time of allocation until satisfaction of the vesting conditions set out below. Upon vesting, the securities will not be subject to any further restrictions, subject to compliance with the Securities Trading Policy that applies to the Group.</p> <p>Mr Glenn Willis will be entitled to receive distributions and dividends on the Restricted Securities from the date of grant, including during the vesting period.</p> <p>Restricted Securities are non-transferable, except in limited circumstances or with the consent of the Board.</p> <p>Trading restrictions may be imposed either by way of a holding lock or through use of an employee share trust.</p>
Date of grant	<p>If Securityholder approval is obtained, the Restricted Securities will be granted to Mr Glenn Willis no later than 12 months after the meeting.</p>
Vesting period and conditions	<p>Restricted Securities will vest, and no longer be subject to trading restrictions, if Mr Glenn Willis remains employed by the Group until the end of the two year vesting period, which commences on the date the securities are granted.</p>
Price payable for securities	<p>No amount will be payable in respect of the allocation of Restricted Securities to Mr Glenn Willis, or upon lifting of the trading restrictions.</p>
Cessation of employment	<p>Where Mr Glenn Willis ceases employment with the Group prior to his Restricted Securities vesting, the treatment will depend on the circumstances of his cessation.</p>

Where employment ceases due to resignation or termination for cause (including gross misconduct), all unvested Restricted Securities will lapse at cessation.

Where employment ceases for any other reason prior to vesting, all unvested Restricted Securities will generally continue on-foot and remain subject to restrictions (i.e. remain restricted until two years from grant).

However, the Board has a broader discretion to apply any other treatment it deems appropriate in the circumstances (including that another number of Restricted Securities may vest either at cessation or at the end of the original vesting date, or that some or all of the Restricted Securities will be forfeited).

Other information

No Director of the Group, other than the Managing Director and Chief Executive Officer, is eligible to participate in the Plan or any other employee incentive scheme of the Company.

At the annual general meeting held on 17 October 2017, Securityholders approved the grant of up to a maximum of 700,000 Restricted Securities to Mr Glenn Willis in respect of the FY18 financial year.

Since the last approval at the annual general meeting held on 17 October 2017, 56,289 Restricted Securities were granted to Mr Glenn Willis in respect of the FY18 financial year.

There is also no loan scheme in relation to the grant of Restricted Securities under the Plan.

Recommendation

The Board (other than Mr Glenn Willis who abstains from making a recommendation because of his interest in the resolution) recommends that Securityholders vote in favour of Resolution 4.

Voting Exclusion

EIL and EIF will disregard any votes cast in favour of Resolution 4, by the Managing Director and Chief Executive Officer (being the only Director of either EIL or EFML who is eligible to participate in the Elanor Investors Group Short Term Incentive Plan), and any of his associates.

Further, a vote must not be cast on Resolution 4 by any member of the Key Management Personnel (“KMP”) of the Group, or a Closely Related Party of any member of the KMP, that is appointed as proxy, if their appointment does not specify the way in which the proxy is to vote.

However, EIL and EIF need not disregard a vote on Resolution 4 (and that person is not prohibited from voting) if the vote is cast by:

- a) a person identified above as a proxy for a person who is entitled to vote on Resolution 4 and the vote is cast in accordance with the directions on the proxy form; or
- b) the Chairman of the Meeting (who may be a KMP) as a proxy for a person who is entitled to vote, and the proxy appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

IMPORTANT: IF YOU APPOINT THE CHAIRMAN OF THE MEETING AS YOUR PROXY

If you appoint the Chairman of the AGM as your proxy on Resolution 4 and you do not direct your proxy how to vote on Resolution 4, you will be expressly authorising the Chairman of the AGM to exercise your proxy, even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.



6. INFORMATION RELATING TO RESOLUTION 5

Approval of the Elanor Investors Group Executive Loan Security Plan

The Group operates the Elanor Investors Group Executive Loan Security Plan (Loan Plan) to assist in attracting, motivating and retaining key management and to provide them with the opportunity to participate in the future growth in value of Group Securities.

The Loan Plan is the Group's principal vehicle to grant long term incentive awards and forms what the Board considers to be a key element of the Group's total remuneration strategy for executive key management personnel and other eligible senior management. Under the Loan Plan, participants are offered a limited recourse loan from the Group (Loan) to acquire Loan Securities.

Details on the Loan Plan can be found below under "Key terms of the Loan Plan".

The primary objectives of the Loan Plan are to:

- a) assist in the attraction, retention and motivation of key individuals;
- b) reward key individuals and other participants for strong individual and Group performance;
- c) allow eligible individuals the opportunity to become Securityholders in the Group; and
- d) align the interests of participating individuals with those of Group Securityholders.

Why is Securityholder approval being sought?

ASX Listing Rule 7.1 provides that an ASX listed entity must not issue equity securities that total more than 15% of its fully paid ordinary securities in a 12 month period without Securityholder approval. If Resolution 3 is approved by Securityholders, this issue limit will be increased to 25% (see Resolution 3 for further details).

Under ASX Listing Rule 7.2, Securityholders may approve the issue of equity securities under an employee incentive scheme as an exception to ASX Listing Rules 7.1 and 7.1A. If such approval is obtained, any Loan Securities allocated under the Loan Plan would not be counted towards the Group's capacity to issue securities under the applicable issue limit.

This approval continues for three years, at which time it must be renewed, or it will expire. In the absence of such an approval, issues of Loan Securities under the Plan may still be made, but must fall within the applicable issue limit at the time of issue.

Securityholder approval will provide the Board with the flexibility to determine whether purchases on-market or newly issued securities are more appropriate at a particular time.

In the Board's opinion, the resolution will assist the Group in managing its capital requirements efficiently by ensuring that the Group's issue limit is not diminished by issues under the Loan Plan and capacity is available for capital management initiatives and acquisitions, if necessary and appropriate.



Key terms of the of Loan Plan

A brief overview of the key terms of the Loan Plan are set out below.

Term	Detail
Purpose	<p>The Loan Plan will operate to allow the Group to provide Loans to eligible Group employees to be applied solely for the purposes of acquiring Loan Securities as part of delivering the long term incentive component of remuneration, as determined by the Board from time to time.</p>
Loan Securities	<p>Each Loan Security is a stapled security in the Group that is subject to trading restrictions from the time of allocation until the satisfaction of the applicable vesting conditions and repayment of the Loan.</p> <p>Each grant will specify the total number or value of Loan Securities that the participant may be allocated and the total purchase cost payable for the Loan Securities (which will be funded via the Loan to the participant).</p> <p>Unless the Board determines otherwise, no trading restriction will placed on Securities following vesting and repayment of the Loan, subject to the Group's Securities Trading Policy.</p> <p>The Group may issue new securities or procure the acquisition of securities on-market to allocate Loan Securities to participants. The Group may also operate an employee security trust to acquire, hold or provide securities for the purposes of the Loan Plan.</p>
Loan terms	<p>A limited recourse Loan will be provided by the Group to fund the purchase cost of Loan Securities. Loans may be offered interest-free or interest-bearing.</p> <p>Where the Group provides a Loan that is interest bearing, the interest payable on the Loan will be equal to the amount of any cash dividend and/or distribution of income payable to the participant in relation to their Loan Securities (Distribution). Any Distributions payable to participants will be applied towards the interest repayable until the Loan is fully repaid.</p> <p>The Loan becomes repayable following satisfaction of the vesting conditions.</p> <p>The participant may then sell the vested Loan Securities with the proceeds first being directed to repay the outstanding Loan balance.</p> <p>If the vesting conditions are not met, or the Loan is not repaid by the Loan repayment date, the Securities will normally be sold or transferred with the result (for those securities that have not vested) that the participant will forfeit the opportunity to benefit from any increase in Security value since they were allocated.</p> <p>The Loan term and repayment period will be determined by the Board for each offer.</p>

If no Loan term is specified, the Loan must be repaid by the earliest to occur of:

- (i) the sale of vested Loan Securities;
- (ii) the last day of the period during which the participant may deal in Group Securities under the Group's Securities Trading Policy and which immediately follows the day on which the Loan Securities vest; or
- (iii) within 90 days of the participant's cessation of employment if the Loan Securities are vested, or within 90 days of vesting if the Loan Securities vest following the participant's cessation of employment.

Eligible participants The Board may allocate Loan Securities to key management and other selected eligible employees of the Group. In general, the Board will select those employees who are considered to have capacity to impact the long term performance of the Group.

Eligible employees may include executive directors, full-time and part-time employees, and any other person the Board considers eligible, as determined appropriate by the Board.

The Group will seek Securityholder approval for participation of any executive directors in the Loan Plan as required by the ASX Listing Rules.

Vesting period and conditions The Board may determine vesting conditions, which may include performance and/or service conditions that must be satisfied before the Loan Securities vest. The vesting conditions will be measured and tested over a vesting period determined by the Board.

The Loan Plan provides the Board with the ability to review and adjust the vesting conditions, targets and vesting schedules (as applicable) on a grant-by-grant basis, ensuring they remain appropriate for the particular grant.

Other terms The Board may determine the terms of the Loan or Loan Securities, including any trading restrictions as well as any other vesting or lapsing conditions.

Entitlements Participants will be able to exercise the voting rights attached to the Securities from the date of allocation.

Loan Securities are non-transferable, except in limited circumstances or with the consent of the Board.

Cessation of employment Where a participant ceases employment with the Group prior to Loan Securities vesting, the treatment will generally depend on the circumstances of cessation.

Where cessation is due to resignation or termination for cause (including gross misconduct), all unvested Loan Securities will be forfeited at cessation in satisfaction of the Loan.

Where employment ceases for any other reason prior to vesting, all unvested Loan Securities will generally continue "on-foot" and remain subject to restrictions (i.e., remain restricted until Loan Securities vest), vesting only to the extent that the relevant vesting conditions have been satisfied at the end of the vesting period.

However, the Board has a broader discretion to apply any other treatment it deems appropriate in the circumstances (including that another number of Loan

Securities may vest either at cessation or at the end of the original vesting period, or that some or all of the Loan Securities will be forfeited).

Where a participant ceases employment subsequent to vesting, but before the end of the repayment period (other than as a result of termination for cause), Loan Securities will not be forfeited subject to the repayment of the Loan within 90 days of termination, in accordance with the terms of the Loan Plan.

Clawback

In the event of fraud, dishonesty or material misstatement of financial statements, the Board may make any determination in respect of the Loan Securities, including forfeiture of unvested Loan Securities, to ensure that no unfair benefit is obtained by a participant.

Administration of Loan Plan

The Loan Plan may be administered either by the Board or an external party, including using a trust to acquire, hold, or provide Securities.

The Board is given the power to make all required determinations under the Loan Plan and to waive or modify the application of the terms of the Loan Plan and the Loans provided or Loan Securities allocated under it as it considers appropriate.

Other information

This is the first time the Group is seeking Securityholder approval of the Loan Plan for the purposes of ASX Listing Rule 7.1.

Recommendation

The Board recommends that Securityholders vote in favour of Resolution 5.

Voting Exclusion

EIL and EIF will disregard any votes cast in favour of Resolution 5, by any Director of the Group (except one who is ineligible to participate in any incentive plan operated by the Group), and any associates of such a Director.

Further, a vote must not be cast on Resolution 5 by any member of the Key Management Personnel (“KMP”) of the Group, or a Closely Related Party of any member of the KMP, that is appointed as proxy, if their appointment does not specify the way in which the proxy is to vote.

However, EIL and EIF need not disregard a vote on Resolution 5 (and that person is not prohibited from voting) if the vote is cast by:

- a) a person identified above as a proxy for a person who is entitled to vote on Resolution 5 and the vote is cast in accordance with the directions on the proxy form; or
- b) the Chairman of the Meeting (who may be a KMP) as a proxy for a person who is entitled to vote, and the proxy appointment expressly authorises the Chairman to exercise the proxy even if the resolutions is connected, directly or indirectly, with the remuneration of the KMP.

IMPORTANT: IF YOU APPOINT THE CHAIRMAN OF THE MEETING AS YOUR PROXY

If you appoint the Chairman of the AGM as your proxy on Resolution 5 and you do not direct your proxy how to vote on Resolution 5, you will be expressly authorising the Chairman of the AGM to exercise your proxy, even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.



ENQUIRIES

Securityholders may contact Computershare on 1300 850 505 (or if overseas, on +61 (3) 9415 4000) if they have any queries in respect of the matters set out in these documents.

DEFINED TERMS

In the Notice of Meeting and in this Explanatory Statement, unless the context otherwise requires:

Annual General Meeting or **AGM** means the general meeting to be held at Computershare, Level 4, 60 Carrington Street Sydney, NSW, 2000 on Tuesday 23 October 2018 at 10.30 am.

ASX means ASX Limited or the securities market which it operates, as the case may be.

Board or **Board of Directors** means the board of Directors of Elanor.

Closely Related Party means, as defined in the Corporations Act, a closely related party of a member of the Key Management Personnel being:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependant of the member or of the member's spouse; or
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Constitution means the constitution of Elanor.

Director means a Director of Elanor.

Dollar or **\$** means Australian dollars, the lawful currency of the Commonwealth of Australia.

Elanor or Group means, together, Elanor Investors Limited and Elanor Funds Management Limited, as responsible entity of Elanor Investment Fund.

Equity Securities has the meaning given in the Listing Rules.

Financial Statements means the financial statements of Elanor for the year ended 30 June 2018.

Key Management Personnel are those people described as Key Management Personnel in Elanor's Remuneration Report and includes all Directors.

Listing Rule means a listing rule of the ASX.

Notice of Meeting or **Notice** means the notice of meeting for the Annual General Meeting which accompanies this Explanatory Statement.

Security means a fully paid ordinary stapled security in Elanor, comprising a fully paid ordinary share in Elanor Investors Limited and a fully paid unit in Elanor Investment Fund.

Securityholder means a holder of Securities.

VWAP means the volume weighted average price of Elanor's securities.

Singular includes plural and vice versa.

Corporate Directory

Elanor Investors Group (ASX Code: ENN)

Elanor Investors Limited (ACN 169 308 187) and Elanor Investment Fund (ARSN 169 450 926)
(Elanor Funds Management Limited (ACN 125 903 031) is the Responsible Entity)

Level 38,
259 George Street
Sydney NSW 2000

T: +61 2 9239 8400

Directors of the Responsible Entity and Elanor Investors Limited

Paul Bedbrook (Chair)
Glenn Willis (Managing Director and CEO)
Nigel Amphelaw
William (Bill) Moss AO

Company Secretary of the Responsible Entity and Elanor Investors Limited

Symon Simmons

Security Registry

Computershare Investor Services Pty Limited

Level 4, 60 Carrington Street
Sydney NSW 2000

Auditors

Deloitte Touche Tohmatsu

Grosvenor Place
225 George Street
Sydney NSW 2000

Custodian

The Trust Company (Australia) Limited

Level 18,
123 Pitt Street
Sydney NSW 2000

Website

www.elanorinvestors.com

Elanor 

Level 38, 259 George Street
Sydney NSW 2000
T: +61 2 9239 8400

www.elanorinvestors.com



Elanor Investors Group

Elanor Investors Limited ABN 33 169 308 187
Elanor Funds Management Limited ABN 39 125 903 031
AFS Licence 398196 as responsible entity of
Elanor Investment Fund ABN 35 797 969 657 ARSN 169 450 926

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MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 10:30am (Sydney time) Sunday, 21 October 2018

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Elanor Investors Group hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Elanor Investors Group to be held at Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000 on Tuesday, 23 October 2018 at 10.30am (Sydney time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 4 and 5 (except where I/we have indicated a different voting intention below) even though Items 1, 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 4 and 5 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of EIL Director - Mr Nigel Ampherlaw	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Grant of Restricted Securities to the Managing Director and Chief Executive Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of securities issued under the Elanor Investors Group Executive Loan Security Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____

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Computershare