

Sandhurst Register of Relevant Duties and Interests

Sandhurst's duties

Role in relation to	Capacity	Duties owed to	Duties
Managed investment schemes	RE [AFSL holder]	Members of scheme	<p>Duties</p> <p>Under the Corporations Act, Sandhurst as RE, owes duties to:</p> <ul style="list-style-type: none"> Act in the best interests of the scheme members; If there is a conflict between the interests of those members and Sandhurst's interests, give priority to the interests of those members; Not make use of information acquired through acting as RE in order to gain an improper advantage to Sandhurst or another person or cause detriment to the members of the scheme. <p>The Corporations Act also requires Sandhurst, as a holder of an AFSL, to have in place adequate arrangements for the management of conflicts of interest that may arise in relation to the activities of the AFSL holder or its representatives in the provision of financial services as part of its financial services business, which requires it to manage, control, avoid and disclose conflicts in accordance with ASIC's principles identified in RG 181. See – group Conflicts of Interest Policy.</p> <p>Related party transactions</p> <p>In addition, the related party transaction provisions of the Corporations Act (Chapter 2E) apply as modified by Part 5C.7 of the Corporations Act to Sandhurst as RE. Related parties include directors, controllers, companies controlled by the controller and directors of those companies. Under Chapter 2E a financial benefit given to the parent i.e. BEN or other wholly owned subsidiaries of the parent is not prohibited. However under the Part 5C.7, the prohibition applies to a benefit given to a related party, including BEN, if the benefit is given out of scheme property or could endanger the scheme property unless member approval is given or the giving of the benefit meets the arm's length terms exemption (section 210 of the Corporations Act) . Regulatory Guide 76 provides further guidance.</p>
Common funds	RE [AFSL holder]	Members of funds	As RE, as above
(a) Trustee Services (including charitable trusts)			<p>Duties</p> <p>Under the general law as a trustee Sandhurst owes fiduciary duties to beneficiaries. The duty of a fiduciary can be described as a duty of the 'utmost good faith', requiring honesty and loyalty at all times. As a trustee Sandhurst must not promote its own interests or those of a third party over the interests of the person with which it has the fiduciary relationship.</p> <p>Subject always to the terms of the trust, specific duties of Sandhurst as a trustee include duties:</p> <ul style="list-style-type: none"> To acquaint itself with the terms of the trust To execute the trust according to its terms and the general law To take reasonable steps to secure control of trust property and to keep control of it To exercise discretionary powers or discretions in good faith, upon a real and genuine consideration and according to the purpose for which the power was conferred Not to delegate except as permitted by the trust instrument To invest as permitted under the trust instrument and legislation; and to exercise the power of investment with the care, diligence and skill that a prudent person engaged in the business of acting as trustee or investing money on behalf of other



Role in relation to	Capacity	Duties owed to	Duties
			<p>persons would exercise in managing the affairs of other persons;¹ and to have regard to a number of matters including the desirability of diversifying trust investments, and the trustee may obtain and consider independent and impartial advice in relation to investment and management of the investment²</p> <p>At least once in every year, review the performance (individually and as a whole) of trust investments</p> <p>Not to place itself in a position where there is a conflict between the duties that it owes to beneficiaries and its own interests and other duties</p> <p>To act in the best interests of beneficiaries</p> <p>Not to abuse its position of trust and confidence.</p>
<p>Superannuation s. 52(2) s.52A(2) s.109 SPS 521</p>	RSE Licensee	Members and beneficiaries of the super fund	<p>Duties</p> <p>In addition to duties as a trustee, the SIS Act imposes statutory duties and covenants on Sandhurst including the following.</p> <ul style="list-style-type: none"> ▪ To act honestly in all matters concerning the entity; ▪ To exercise, in relation to all matters affecting the entity, the same degree of care, skill and diligence as a prudent superannuation trustee would exercise in relation to an entity of which it is trustee and on behalf of beneficiaries of which it makes investments; <p>Note: A superannuation trustee is a person whose profession, business or employment is or includes acting as trustee of a superannuation entity and investing money on behalf of beneficiaries of the superannuation entity.</p> <ul style="list-style-type: none"> ▪ To perform the trustee's duties and exercise the trustee's powers in the best interests of beneficiaries. ▪ Where there is a conflict between the duties of the trustee to the beneficiaries, or the interests of the beneficiaries, and the duties of the trustee to any other person or the interests of the trustee or an associate of the trustee: <ul style="list-style-type: none"> - To give priority to the duties to and interests of the beneficiaries over the duties to and interests of other persons; and - To ensure that the duties to the beneficiaries are met despite the conflict; and - To ensure that the interests of the beneficiaries are not adversely affected by the conflict; and - To comply with the prudential standards in relation to conflicts; <p>Note: These obligations of the trustee override any conflicting obligations as an executive officer or employee of the trustee has under Part 2D.1 of the Corporations Act 2001; or Division 4 of Part 3 of the Commonwealth Authorities and Companies Act 197.</p> <ul style="list-style-type: none"> ▪ To act fairly in dealing with classes of beneficiaries within the entity; ▪ To act fairly in dealing with beneficiaries within a class; ▪ Not to enter into any contract, or do anything else, that would prevent the trustee from, or hinder the trustee in, properly performing or exercising the trustee's functions and powers; <p>The following duties are also imposed on each director of Sandhurst.</p> <ul style="list-style-type: none"> ▪ to act honestly in all matters concerning the entity; ▪ to exercise, in relation to all matters affecting the entity, the same degree of care, skill and diligence as a prudent superannuation entity director would exercise in relation to an entity where he or she is a director of the trustee of the entity and that trustee makes investments on behalf of the entity's beneficiaries; ▪ to perform the director's duties and exercise the director's powers as director of Sandhurst in the best interests of the beneficiaries; ▪ where there is a conflict between the duties of the director to the beneficiaries, or the interests of the beneficiaries, and the duties of the director to any other person or the interests of the director, the corporate trustee or an associate of the director or corporate trustee:

¹ As per State trustee acts – for example, see s6 Trustee Act 1958(Vic).

² As per State trustee acts – for example, see s8 Trustee Act 1958(Vic).

Role in relation to	Capacity	Duties owed to	Duties
			<ul style="list-style-type: none"> - (i) to give priority to the duties to and interests of the beneficiaries over the duties to and interests of other persons; and - (ii) to ensure that the duties to the beneficiaries are met despite the conflict; and - (iii) to ensure that the interests of the beneficiaries are not adversely affected by the conflict; and - (iv) to comply with the prudential standards in relation to conflicts; <p>Note: These obligations of the director override any conflicting obligations the director has under Part 2D.1 of the Corporations Act 2001; or Division 4 of Part 3 of the Commonwealth Authorities and Companies Act 197</p> <ul style="list-style-type: none"> ▪ not to enter into any contract, or do anything else, that would: <ul style="list-style-type: none"> - prevent the director from, or hinder the director in, properly performing or exercising the director's functions and powers as director of Sandhurst; or - prevent Sandhurst from, or hinder Sandhurst in, properly performing or exercising the corporate trustee's functions and powers as trustee of the entity; ▪ to exercise a reasonable degree of care and diligence for the purposes of ensuring that Sandhurst carries out the covenants referred to in section 52 of the SIS Act. <p>As well, under section 109 of the SIS Act, Sandhurst must not invest in the capacity as trustee or investment manager of a superannuation entity unless it is dealing with the other party at arm's length, or the terms and conditions of the transaction are no more favourable to the other party than those which it is reasonable to expect would apply if the trustee or investment manager, as the case may be, were dealing with the other party at arm's length in the same circumstances.</p> <p>Fit and proper</p> <p>The SIS Act requires Sandhurst, as a RSE licensee, to satisfy APRA Prudential Standard SPS 520 Fit and Proper (SPS 520), this means that Sandhurst must possess relevant attributes that enable it to properly discharge its duties and responsibilities in a prudent manner. The 'propriety limb' of the fit and proper standard requires Sandhurst to consider (among other matters) the following:</p> <ul style="list-style-type: none"> ▪ Which officer has a conflict of interest that may influence the officer's or Sandhurst's ability to carry out their roles with the degree of probity and independence required or with regard to the duty of care owed to members. ▪ Which officer has failed to deal appropriately with such conflicts.
Corporate entity	Subsidiary company of BEN	Shareholder (BEN)	Sandhurst as a corporate entity does not owe duties to any third party. Sandhurst owes a duty to its shareholder (BEN), to maximise profits.

Role in relation to	Capacity	Duties owed to	Duties
Corporate Trusts s.238DA, Corporations Act 2001 Chapter 2L, Corporations Act 20101	Debenture Trustee	Debenture holders	<p>When considering whether to consent to a material transaction by a debenture issuer (for which Sandhurst is the debenture trustee), Sandhurst owes duties to the debenture holders. Sandhurst must ensure that any material transaction is not prejudicial to the interests of debenture holders. Sandhurst must also consider any other legal and regulatory requirements it has generally as debenture trustee. Sandhurst as debenture trustee, owes duties to, but not limited to:</p> <ul style="list-style-type: none"> exercise reasonable diligence to ascertain whether the property of the borrower and of each guarantor that is or should be available (whether by way of security or otherwise) will be sufficient to repay the amount deposited or lent when it becomes due; and exercise reasonable diligence to ascertain whether the borrower or any guarantor has committed any breach of: <ul style="list-style-type: none"> (i) the terms of the debentures; or (ii) the provisions of the trust deed or under Chapter 2L of the Corporations Act 2001; and do everything in its power to ensure that the borrower or a guarantor remedies any breach known to the trustee, unless the trustee is satisfied that the breach will not materially prejudice the debenture holders' interests or any security for the debentures, of: <ul style="list-style-type: none"> (i) any term of the debentures; or (ii) any provision of the trust deed or this Chapter 2L of the Corporations Act 2001.
Professional custody activities	Custodian [AFSL holder]	Responsible entity or trustee and beneficiary of assets	<p>Duties</p> <p>Sandhurst as custodian, owes duties to:</p> <ul style="list-style-type: none"> The responsible entity or trustee engaging Sandhurst as custodian; and The beneficiaries of the assets held by Sandhurst as custodian. <p>The Corporations Act also requires Sandhurst, as a holder of an AFSL, to have in place adequate arrangements for the management of conflicts of interest that may arise in relation to the activities of the AFSL holder or its representatives in the provision of financial services as part of its financial services business, which requires it to manage, control, avoid and disclose conflicts in accordance with ASIC's principles identified in RG 181. See – group Conflicts of Interest Policy.</p>

Sandhurst's interests

Context	Interest
Capital investment	Investment in the Sandhurst Select Mortgage Fund
Capital investment	Investment in the Bendigo and Adelaide Bank Deposits
Capital investment	Investment in the Sandhurst Strategic Income Fund
Capital investment	Investment in the Bendigo High Growth Wholesale Fund
Capital investment	Investment in the Bendigo Socially Responsible Growth Fund



Sandhurst's responsible persons duties

Role (<i>separate to RP role for Sandhurst Trustees</i>)	Role in relation to	Relationship to Sandhurst Trustees	Duties owed to	Risk
Employee	Bendigo and Adelaide Bank Limited	Parent entity of Sandhurst Trustees Limited	Shareholders of Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank's business requirements may be prioritised over those of Sandhurst Trustees Limited or its customers
Director / Company Secretary	Sandhurst Nominees (Vic) Limited	Wholly owned subsidiary of Sandhurst Trustees Limited	Shareholder of Sandhurst Trustees Limited	Business requirements of Sandhurst Nominees (Vic) Ltd may be prioritised over those of Sandhurst Trustees Limited or its customers
Director and/or member of a board committee	Bendigo Financial Planning Limited	Related entity of Sandhurst Trustees Limited	Shareholder of Bendigo Financial Planning Limited	Business requirements of Bendigo Financial Planning Ltd may be prioritised over those of Sandhurst Trustees Limited or its customers
Director / Committee members	Financial Services Council	Sandhurst Trustees Limited is a member of the Council	Members of the Council	Prioritising membership and role within Financial Services Council over the business requirements of Sandhurst Trustees Limited or its customers

Sandhurst's responsible persons interests

Context	Interest
Personal investments	Investment in managed investment schemes issued by Sandhurst Trustees Limited
Personal investments	Deposits in and use of basic banking products issued by Bendigo and Adelaide Bank
Personal investments	Holdings in Bendigo and Adelaide Bank securities
Personal lending	Credit facilities issued by Bendigo and Adelaide Bank Limited
Choice Investments through public offer or self managed superannuation funds	Investment in managed investment schemes issued by Sandhurst Trustees Limited
Choice investments through public offer or self managed superannuation funds	Investment in Bendigo and Adelaide Bank securities

*All personal investments are not considered material and are made on normal commercial terms and conditions.