

Third Link Growth Fund

Quarterly Fund Report – as at 30 September 2013

Fund performance

The Fund performance is measured after fees and is calculated by comparing unit prices over the relevant performance measurement period and assuming income distributions were reinvested.

For the period ending 30 September 2013, the Fund performance was as follows:

	Three months	Six months	One year	Two years	Three years	Five years	Since inception (June 2008) ¹
Third Link Growth Fund	+11.5%	+10.5%	+28.3%	+20.8% pa	+12.6% pa	+10.4% pa	+8.8% pa
Fund performance relative to its benchmark ²	+1.3%	+3.3%	+4.6%	+2.8% pa	+1.8% pa	+3.6% pa	+4.1% pa

Figures greater than one year are expressed as annual compound returns.

¹ The Third Link Growth Fund was established on 12 March 2008 (though it was not open for investment until 10 April 2008, being the date of the first PDS). Up until the end of May 2008 it was a requirement that application monies received into the Fund were kept on deposit as the unit price was held at \$1.00. This restriction was removed from the beginning of June 2008, at which time the Fund was free to invest in accordance with its objective.

² The benchmark up until the end of January 2012 was the Morningstar Multi-Sector Growth Market Index (an index constructed by reviewing the asset allocation of Australian fund managers who operate multi-sector funds and have between 61 per cent and 80 per cent of their assets in growth sectors with the balance in cash and fixed income securities) and from February 2012 onwards the benchmark was the S&P/ASX 300 Accumulation Index (which covers the largest 300 shares listed on the Australian market and, being an accumulation index, it measures changes in both the value and income of the shares). These calculations are based on the performance compared to the old benchmark to January 2012 and the performance compared to the new benchmark from February 2012.

Investment objective & benchmark

To provide an investment in Australian listed shares, with the aim of outperforming the S&P/ASX 300 Accumulation Index after fees over rolling five year periods.

The majority of the Fund's assets are invested in other managed investment funds run by third party investment managers.

The process of choosing each investment manager is based on their investment style and process, the expertise of the investment team, past performance (through different market cycles) and a range of other factors. This process is based on our extensive industry knowledge, considerable contacts and many years of experience in the investment management industry.

Investment manager

Third Link Investment Managers Pty Ltd of which Chris Cuffe is the Founding Director & Portfolio Manager.

Distribution frequency

Six monthly, at end of December and June.

Minimum investment

\$20,000

Fund size

\$60.4 million

Website

www.thirdlink.com.au

Contact details

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Underlying investments

	%
AUSTRALIAN EQUITIES	
General:	
JBWere Individually Managed Account	21.9
Bennelong Ex-20 Australian Equities Fund	11.5
Cooper Investors Australian Equities Fund	10.5
Greencape Wholesale High Conviction Fund	8.1
GS Premier Australian Equities Fund	5.2
Montgomery [Private] Fund	8.1
Paradice Mid Cap Fund	10.3
	75.6
Small Caps:	
Aberdeen Australian Small Companies Fund	5.7
Eley Griffiths Small Companies Fund	2.2
Ophir Opportunities Fund	1.8
Pengana Emerging Companies Fund	11.6
	21.3
Directly Held Securities	0.5
	97.4
CASH & CASH EQUIVALENTS	
Colonial First State Cash Enhanced Fund	0.3
Custodial account & other	2.3
	2.6
TOTAL	100.0

The figures shown against each Australian equities fund do not attempt to 'look through' each fund and strip out any cash component. The managers of all of the above investments are listed on the Fund website.

Fees and expenses

There are no entry or exit fees payable by investors. The ongoing fees and expenses paid from the Fund are:

- an ongoing management fee of 1.4% p.a. of the gross asset value of the Fund, from which normal operating expenses are met; and
- abnormal operating expenses.

All fees received by the investment manager, net of expenses incurred, are donated to charity.

Advisers

A highly experienced group of people act as advisers to Chris Cuffe to provide input when requested concerning the investment environment, the strategy of the Fund and/or the investments held. This ensures there is a diversity of views from experts to help formulate decisions about the Fund.

These advisers comprise:

- Piers Bolger, Head of Research and Strategy – Advice and Private Banks, BT Financial Group
- Robert Keavney, former Chief Investment Strategist, Centric Wealth Advisers
- Kieran Kelly, Managing Director, Sirius Fund Management
- Frank Macindoe, Executive Director, Private Wealth Management, JBWere
- Mark Nelson, Executive Chairman, Caledonia Investments
- Ashley Owen, Joint Chief Executive Officer, Philo Capital Advisers
- Don Stammer, former Chief Economist and Director of Investment Strategy for Deutsche Bank
- Fiona Trafford-Walker, Director of Consulting, Frontier Investment Consulting
- Geoff Wilson, Chairman, Wilson Asset Management (International)
- Stephen van Eyk, Managing Director, Stephen van Eyk Consulting

Our charitable partners

All fees received from managing the Fund's investments, net of expenses incurred, are donated to charity.

Third Link embraces a strategy for its charitable giving, known as the Third Link Thrive Program ('Thrive'). *Thrive* represents a portfolio approach to the charitable giving of Third Link, forging long-term partnerships with quality organisations that help Australian children and young people to thrive, not just survive.

It's a truism that our children are our future, and in a nation as prosperous as Australia it's not overly ambitious to want great things for our kids – to help them exceed, rather than just meet, educational and wellbeing benchmarks.

When selecting philanthropic partners to join the Thrive portfolio, priority will be given to organisations that are:

- national;
- serving children or young people under the age of 25;
- unique and have a demonstrable point of difference;
- at a crucial growth phase in their evolution, where philanthropic funding can result in significant capacity improvements within the organisation; and
- able to demonstrate how Third Link's funding will be leveraged ('the multiplier effect') for maximum social impact.

Our charitable partners are currently as follows:

- Australian Indigenous Mentoring Experience;
- Batyr;
- Beacon Foundation;
- REAPing Rewards;
- National Centre for Childhood Grief;
- Outward Bound Australia.

A description of each of these organisations is listed on the Third Link web site (see the section titled 'Our charitable partners'). The list of charitable partners will change from time to time, with such changes reflected on this website.

Acknowledgment of support

Thanks to the extraordinary and generous support of a number of investment and service professionals who have agreed to waive some or all of the fees that would otherwise be due to them for services rendered, the expenses from running the Fund are kept to a minimum, resulting in a larger pool to donate to the charitable sector.

For a full list of the service providers, please refer to our website at www.thirdlink.com.au

This information is not personal advice. This information has been prepared without taking account of your objectives, financial situation or needs. Potential investors should seek independent advice as to the suitability of the Fund to their investment needs. Investors should be aware that past performance is not indicative of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments. Treasury Group Investment Services Limited (TIS) AFSL No. 227 326 is the Responsible Entity for the Fund. Applications can only be made on the application form dated 20 February 2012 accompanying the Fund Product Disclosure Statement (PDS) dated 20 February 2012. Potential investors should consider the PDS and the Additional Information to the PDS (AIB) before deciding whether to invest, or continue to invest in the Fund. The PDS and AIB can be obtained on www.thirdlink.com.au or by contacting Third Link.