Deferred Purchase Agreement

Term Sheet Information Memorandum

CANDOUR
STRUCTURED INVESTMENT

AUD Equity Linked Investment on Stock ABC

Important information

This Term Sheet IM dated dd-mm-yyyy supplements the Candour Deferred Purchase Agreements Master IM dated 12 June 2024 **(the "Master IM")** issued by Candour Structured Investment Pty Ltd **("the Issuer")**. This Term Sheet IM together with the Master IM constitutes the IM for the Offer of the Series of **AUD Equity-Linked Investment on Stock ABC** ("the Units") as described below.

This IM is for the offer of an agreement to purchase the shares **("Delivery Assets")** specified in Section 2 "Term Sheet" of this Term Sheet Information Memorandum **("Term Sheet IM")** on certain terms including deferred delivery and, if applicable, entry into an Investment Loan for the Investment Amount **("the Offer")**. This Term Sheet IM is dated dd-mm-yyyy and is issued by Candour Structured Investment Pty Ltd (ACN 673 664 527) **("the Issuer")** and arranged by Candour Private Wealth Pty Ltd (ACN 660 814 353, AFSL 544396) **("the Arranger")** pursuant to Section 911A(2)(b) of the Corporations Act. Pursuant to Section 911A(2)(b), the Issuer will issue the Units in accordance with the offer made by the Arranger.

This IM has not been lodged, and is not required to be lodged with the Australian Securities and Investments Commission **("ASIC")**. ASIC and its officers take no responsibility for the contents of this IM.

All fees in this IM are stated inclusive of any GST (unless stated otherwise).

All monetary amounts referred to in this IM are given in Australian dollars (unless stated otherwise). All references to legislation in this IM are to Australian legislation.

Investments in the Units

This IM (including the Master IM) is an important document which should be read before making a decision to acquire the Units. The information in this IM is general information only and does not take into account an individual's investment objectives, financial situation or particular needs or circumstances.

Nothing in this IM is a recommendation by the Issuer or its related bodies corporate or by any other person concerning investment in the Units or the Reference Asset or any specific taxation consequences arising from an investment in the Units. Potential investors should also obtain independent financial and taxation advice as to the suitability of this investment to them having regard to their investment objectives, financial situation and particular needs. No cooling off rights apply to investments in the Units.

Potential Investors should note that the Issuer retains discretion to amend the closing date for the offer for a Series and move the Commencement Date (and all other consequential dates) for a Series, or not to continue with the issue of a Series of Units on the Commencement Date and terminate any Units in that Series already issued, including where there is a significant change in the Issuer's cost of hedging between the date of this Term Sheet IM and the Commencement Date. In particular, the Issuer will not continue with the issue of a Series of Units if it considers that it and its affiliates have not completed sufficient arrangements for management of their respective obligations in respect of that Series of Units. If a decision is made not to issue a Series of Units or to terminate Units in a Series that have already been issued, the Issuer will return the Prepaid Interest, and any applicable Fees, that have been paid upfront, to applicants without interest within 10 Business Days of the scheduled Commencement Date.

Eligible investors and electronic IM

This IM and the Offer are available only to Australian resident wholesale investors (as defined by the Corporations Act) receiving this IM (including electronically) in Australia. Applications from outside Australia will not be accepted.

The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States or to, or for the benefit of U.S. persons unless the Units are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

Updated information

Information set out in this Term Sheet IM is subject to change from time to time. Information not materially adverse to Investors in the Units may be amended without issuing an updated or supplementary Term Sheet IM.

Making an investment

Units can only be issued if potential investors use an Application Form (including relevant attachments) attached to either a paper or electronic copy of this IM.

Returns not guaranteed

Returns on the Units are not guaranteed. The Issuer and the Arranger nor any of their associates or subsidiaries guarantee the return on an investment in the Units or any gain. Investors may not recoup the total amount of any amounts outlaid as there is no guarantee that returns on the Units will be in excess of these amounts paid by Investors. Please refer to Section 2 "Risks" in the Master IM.

Definitions

Capitalised terms used in this IM have the meaning given in Section 9 "Definitions" of the Master IM, and as defined in this Term Sheet IM.

Nature of the Units

The Units are “Securities” for the purposes of Chapter 7 of the Corporations Act.

Please note “Unit” or "Units", when used in this IM, means an agreement to buy the Delivery Assets between the Issuer and the Investor pursuant to the Deferred Purchase Agreement. The Units are not units in a trust or managed investment scheme.

1. Overview

AUD Equity-Linked Investment on ("Units") provide returns based on the performance of the **Stock ABC** (ASX: ABC) ("Reference Asset").

A summary of the key features are as follows

	AUD Equity-Linked Investment on Stock ABC
Reference Asset	Stock ABC (ASX: ABC)
Investment Term	X months
Issue Price	$XXX per Unit
Redemption Price	$1.00 per Unit
Final Value	Final Value means the value per Unit payable or deliverable on the Maturity Date, determined by the Calculation Agent as follows: If the Closing Price of the Reference Asset is greater than or equal to the Strike Level, AUD 1.00 per Unit. If the Final Price of the Reference Asset is less than the Strike Level, the value per Unit will be equal to the product of the Issue Price and the ratio of the Final Price to the Strike Level. Final Value = $\begin{cases} AUD\ 1.00, \\ if\ Reference\ Asset\ Final\ Level \geq Strike\ Level \\ AUD\ 1.00 * \frac{Reference\ Asset\ Final\ Level}{Strike\ Level}, \\ if\ Reference\ Asset\ Final\ Level < Strike\ Level \end{cases}$
Currency exposure	AUD
Settlement Currency	AUD
Application Fee	Not Applicable

2. Term Sheet – AUD Equity-Linked Investment on Stock ABC

The following Term Sheet is a summary of the key dates and terms of the Units. However, this section is not intended to be a complete summary of this Term Sheet IM or the Master IM and you should read the entire Term Sheet IM and Master IM before deciding whether or not to invest. The information in this section is qualified in its entirety by the more detailed explanations set out elsewhere in this Term Sheet IM and Master IM, in particular Section 4 "Terms of the Deferred Purchase Agreement" in the Master IM.

Initial Offer Closing Date	TBD Completed Application Forms must be received by this time. Cleared funds must be available on the date the Application Form is lodged.
Application Payment Date / Trade Date	TBD The Trade Date may be deferred as determined by the Issuer if any of the Terms of the offer cannot be achieved by the Issuer. Other relevant dates may be adjusted accordingly if required. If such day is not a Business Day, the next following Business Day.
Commencement Date / Issue Date	TBD The Commencement Date may be deferred as determined by the Issuer if any of the Terms of the offer cannot be achieved by the Issuer. Other relevant dates may be adjusted accordingly if required. If such day is not a Business Day, the next following Business Day.
Maturity Date	TBD or if such day is not a Business Day, the next following Business Day. This is the date when the Reference Asset Final Level is determined for calculating the Final Value. The Units may mature early in the case of an Early Maturity Event, and Maturity may be extended in the case of a Market Disruption Event and/or an Early Maturity Event. The Maturity Date will only be varied by the Issuer and may be varied at the Issuer's discretion.
Settlement Date	5 Business Days after the Maturity Date, or such other date as determined by the Issuer in its discretion as is reasonably necessary for the Issuer to fulfil its obligations under the Terms.
Annual Walk Away	Not Applicable
Buy Back	Applicable
Reference Asset	Stock ABC (ASX: ABC)
Reference Asset Initial Level	The Reference Asset Closing Price on each respective Trade Date
Reference Asset Final Level	The Reference Asset Closing Price on the Maturity Date
Reference Asset Closing Price	The closing price of the Reference Asset as published by the Relevant Exchange on any scheduled Business Day.
Strike Level	XXX% of the Reference Asset Initial Level

Issue Price	At a Discount, XXX
Redemption Price	$1.00 per Unit
Final Value	Final Value means the value per Unit payable or deliverable on the Maturity Date, determined by the Calculation Agent as follows: If the Closing Price of the Reference Asset is greater than or equal to the Strike Level, AUD 1.00 per Unit. If the Final Price of the Reference Asset is less than the Strike Level, the value per Unit will be equal to the product of the Issue Price and the ratio of the Final Price to the Strike Level. $\text{Final Value} = \begin{cases} AUD\ 1.00, \\ if\ Reference\ Asset\ Final\ Level \geq Strike\ Level \\ \\ AUD\ 1.00 * \frac{Reference\ Asset\ Final\ Level}{Strike\ Level}, \\ if\ Reference\ Asset\ Final\ Level < Strike\ Level \end{cases}$
Listing	The Units will not be listed or displayed on any securities exchange.
Minimum Investment Amount	50,000 Units at the Issue Price of $XXX per Unit
Withdrawal of the Units	If the Issuer is unable to achieve the economic exposure described in this Term Sheet IM on the Commencement Date due to any condition set out in this Term Sheet IM not being satisfied (e.g. the Issuer being unable to hedge its obligations), or otherwise determines not to proceed with the issue for any reason, then the Issuer will terminate any Units already issued, and return the Issue Price (Investment Amount) and Fees without interest. No drawdown will be made.
Issuer	Candour Structured Investment Pty Ltd (ACN 673 664 527)
Arranger	Candour Private Wealth Pty Ltd (ACN 660 814 353 AFSL 544396)
Registrar	Registry Direct Pty Limited (ACN 160 181 840)
Hedging Counterparty	Candour Capital Pty Ltd (ACN 624 618 971)
Minimum Early Maturity Value, Termination Payment	If the Units mature early for any reason, you will receive an Early Maturity Value of Issue Price. You will not have to pay any other fees, costs or interest. Investors will not be entitled to a refund of any Fees paid in relation to the Units and will not be entitled to payment of the Final Value and not be entitled to the full potential return on the investment (Redemption Price less Issue Price). Please refer to Section 1.10 "Early Maturity" of the Master IM for more information on when the Units can mature early.
Beneficial Interest	The Beneficial Interest in a Portion of the Delivery Asset held for each Unit an Investor holds. The Beneficial Interest will be set out in the Confirmation Notice sent to Investors and is a feature of the product designed to ensure the Units are a "security" under the Corporations Act.

Delivery Asset	The Delivery Asset is ordinary shares in Stock ABC (ASX: ABC). On the Maturity Date, the Issuer will deliver to each Investor a parcel of shares in the Delivery Asset with a value equal to the Final Value applicable to that Investor (the Delivery Parcel). The number of shares comprising the Delivery Parcel will be determined by dividing the Final Value by the Reference Asset Final Level. • Where the Reference Asset Final Level is greater than or equal to the Strike Level, the Final Value will equal AUD 1.00 per Unit, and the Delivery Parcel will represent an economic exposure equivalent to a cash redemption amount, delivered in the form of shares. • Where the Reference Asset Final Level is below the Strike Level, the Final Value will be reduced in accordance with the terms of the Units, and the Delivery Parcel will reflect an economic exposure equivalent to purchasing the Reference Asset at the Strike Level. Investors may elect to utilise the Agency Sale Option, pursuant to which the Issuer (or its nominee) will sell the Delivery Parcel on behalf of the Investor and remit the net cash proceeds instead of delivering shares, in accordance with the terms set out in the Deferred Purchase Agreement and the Master IM. The Issuer may, in certain circumstances (including where it is operationally impractical), substitute the Delivery Asset in accordance with the terms of the Deferred Purchase Agreement.
Agency Sale Option	Available to sell the Delivery Parcel and receive cash instead. Please refer to Clause 4.4 of Section 4 "Terms of the Deferred Purchase Agreement" in the Master IM. `
Key Risks	Key risks include: Your return (in the form of the Final Value) is affected by the performance of the Reference Asset. No Final Value will be payable if the performance of the Reference Asset on the Maturity Date is not positive. Investors must pay the Prepaid Interest to be entitled to receive the Final Value. If Prepaid Interest is not paid on the relevant due date, Investors Units will be terminated, they will not be entitled to any returns or any Final Value and will have no exposure to the Units. There is no guarantee that the Units will generate returns in excess of the Prepaid Interest and any Fees during the Investment Term. Additionally, in the event of Issuer Buy-Back or Early Maturity Event, you will not receive a refund of your Prepaid Interest or any Fees nor will you be entitled to any Final Value or remaining Coupons. Instead you will receive the Buy-Back Price or Early Maturity Value. Gains (and losses) may be magnified by the use of leverage. Investors are subject to counterparty credit risk with respect to the Issuer and the Hedge Counterparty; and the Units may mature early following an Early Maturity Event, including an Adjustment Event, Market Disruption Event. Event of Counterparty Default or Insolvent

	In the event of a Counterparty Default or insolvency, the investment unit will be cancelled. As a result, the investor will not be able to recover any prepaid interest or any unrealized upside gain. This means that the total investment amount and any fees paid may be lost entirely. Investors should be aware that the occurrence of such events could result in a complete loss of the investment, underscoring the importance of carefully considering the creditworthiness of both the Issuer and the Hedge Counterparty before investing. Please refer to Section 2 "Risks" of the Master IM for more information.
Fees	The following Fees may be payable in respect of the Units: Application Fee: Not Applicable Selling Fee: The Issuer may pay an Approved Adviser an upfront selling fee up to 1.00% (inclusive of GST) of the Total Investment Amount. This Fee will be funded out of Issuer's revenue from the issuing the Units and will not be a fee paid separately by Investors.
Taxation	Investors should refer to section 8 of the Master IM and obtain their own independent tax advice prior to investing in Units.

Applications and issue of Units

Applications may be accepted or rejected at the discretion of the Issuer. Units will be issued within 10 Business Days upon receipt of application monies from an Investor. The Unit's economic exposure to the Reference Asset will begin on the Commencement Date. If a Unit is issued prior to the Commencement Date it will have no economic exposure until the Commencement Date.

The Units will only be issued at the discretion of the Issuer, and applications may be accepted or rejected at the discretion of the Issuer. Without limiting its discretion, the Issuer may choose not to proceed with the issue of the Units for a Series and terminate the product for those Units already issued for any reason whatsoever, including (without limitation) if there is a significant change in the Issuer's cost of hedging between the date of this IM and the Commencement Date. Where the Issuer has not received the Prepaid Interest and Fees (if any) in respect of a Unit(s) from the Investor by the respective Application Payment Date/Trade Date, the Issuer will cancel the Units relating to the unpaid amounts and will arrange for the Investors name to be removed from the register of Unitholders.

If a decision is made for any reason not to issue, or not to proceed with the issue of the Units, the Issuer will return the Prepaid Interest, Fees (if any) to applicants (without interest) within 10 Business Days of the scheduled Commencement Date and any Units already issued will be terminated.

The Units may mature early in the case of an Early Maturity Event or Issuer Buy-Back, and the Maturity Date may be extended in the case of a Market Disruption Event.

3. Master IM

Investors must have read and understood the Master IM prior to applying for Units.

To obtain a copy of the Master IM, please refer to https://candourcapital.com/deferred-purchase-agreement/ or contact the Issuer.