

# Continuous Disclosure Notice

## Change in investments for the HFA Diversified Investments Fund

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Certitude Global Investments Limited (Certitude), the Responsible Entity of the HFA Diversified Investments Fund ARSN 093 497 468 (the Fund), wishes to advise investors of the following changes to the Fund's investments effective from 1 October 2010.

### Fund's current investments

The Fund's primary investment is currently Class B Shares in the Lighthouse Diversified Fund Limited (Lighthouse Fund) (Class B Shares). The Class B Shares are a United States Dollar (USD) denominated investment.

The Lighthouse Fund is a diversified absolute return fund-of-funds which is focused on offering an alternative to traditional equity, credit and fixed interest investments.

The Fund also has other foreign currency denominated investments; specifically USD denominated direct and indirect holdings in certain asset realisation vehicles which hold participation interests providing exposure to certain assets of the Lighthouse Fund.

### Change to the Fund's investments

Effective 1 October 2010, the Fund will switch its primary investment from Class B Shares into Class F Shares in the Lighthouse Fund. The Class F Shares are issued on the same terms and conditions as the Class B Shares, however the Class F Shares are an AUD denominated class of share.

The Class F Shares are substantially hedged with respect to foreign currency exposure, which means that they will not attempt to benefit from, or be disadvantaged by, any significant movement in foreign exchange rates. The cost of this hedging is an expense of the Lighthouse Fund and is reflected in the value of the Class F Shares.

### Impact upon Investors

#### **'Hedged Retail', 'Hedged Wholesale' and 'Institutional' classes of units**

The 'Hedged Retail' (HR), 'Hedged Wholesale' (HW) and 'Institutional' unit classes in the Fund are substantially hedged with respect to foreign currency exposure. This means that those unit classes do not seek to benefit from, or be disadvantaged by, any significant movement in foreign currency exchange rates. The aim is for the Fund's hedged units to earn their investment return from the Fund's investments rather than from the combination of those investments and movements in foreign exchange rates.

For the hedged unit classes, the Responsible Entity utilises foreign exchange contracts to substantially hedge the Fund's exposure on its foreign currency denominated investments, including the Class B Shares. The cost of this hedging is born by each class of hedged units in the Fund.

From 1 October 2010, the Fund will no longer need to hedge exposure to foreign exchange rates in connection with its investment in shares in the Lighthouse Fund, as the Class F Shares are AUD denominated.

It is not anticipated that this change to the investments will have any impact upon the holders of 'Hedged Retail' (HR), 'Hedged Wholesale' (HW) and 'Institutional' units in the Fund.

### **'Unhedged Retail' (UR) and 'Unhedged Wholesale' (UW) classes of units**

The 'Unhedged Retail' (UR) and 'Unhedged Wholesale' (UW) classes of units are not currently hedged with respect to foreign currency exposure. This means the unhedged classes of units are exposed to both the investment performance of the Fund's investments and the impact of foreign currency exchange rate fluctuations on the Fund's foreign currency denominated investments. Those investments currently include the Class B Shares and the Fund's direct and indirect USD denominated investments in the asset realisation vehicles.

Effective 1 October 2010, the unhedged unit classes will cease to have foreign currency exposure in relation to the Fund's investment in shares in the Lighthouse Fund, as going forward that investment will be AUD denominated Class F Shares.

Further, from 1 October 2010, the Fund's direct and indirect USD denominated investments in the asset realisation vehicles attributable to the unhedged classes of units will be substantially hedged against exposure to foreign currency fluctuations. The Responsible Entity believes that this step is necessary and in the interests of investors in the Fund as a whole. The limited number of unhedged units on issue, and the value of the Fund's foreign currency denominated investments attributable to the unhedged classes make it uneconomical to continue to separately allocate a proportion of those investments as being unhedged.

Therefore, from 1 October 2010, the unhedged classes of units will cease to have any foreign currency exposure. This may have a positive or negative effect on the value of the unhedged classes of units depending upon currency market movements in the future.

### **Further information**

If you have any queries in relation to the changes to the Fund's investments, please do not hesitate to contact Certitude Investor Services on 1300 30 90 92.