

# Term Sheet

## Spire Capital Series – Spire Oaktree Special Opportunities Fund (AUD) Hedged

This document is issued by Spire Capital Ltd ACN 141 696 120, AFSL 344365, as Trustee of Spire Capital Master Fund. It should be read in conjunction with the Spire Capital Master Fund Information Memorandum ([IM](#)), also issued by Spire Capital Ltd and considered carefully before making a decision to invest in the Units.

This term sheet (including its Annexures) ([Term Sheet](#)) and the application form accompanying the Term Sheet ([Application Form](#)), together with the trust deed for the Master Fund ([Trust Deed](#)) and the IM (together, the **Transaction Documents**) contain the complete terms applicable to the Units. Prospective investors should carefully consider the risks of investing and should carefully consider all Transaction Documents and offering materials in respect of the Master Fund and

consider whether an investment in the Master Fund is appropriate in light of their investment objectives, financial situation or particular needs before making a decision to invest.

It is only after the point in time when you agree to the Transaction Documents, the Trustee receives cleared funds into its nominated account, and the Trustee, in its absolute discretion, accepts your offer to invest, that the Trustee will issue you Units.

By completing and signing the Application Form, you are making a commitment to invest in the Series and agree to be bound by the Transaction Documents and meet all obligations in those documents in a timely manner.

## General Terms

<b>Activation Date</b>	This Term Sheet is active as 23 January 2023
<b>APIR Code</b>	SPI1698AU
<b>Investment Form and structure</b>	This document relates to the issue of units in the Spire Capital Master Fund ( <b>Trust</b> ). The Trust comprises a number of series of Units. The Units are to be of a new series of units in the Trust called Spire Oaktree Special Opportunities Fund (AUD) Hedged ( <b>Series</b> or <b>Units</b> ).
<b>Eligible Investors</b>	Wholesale Clients, as defined by the Corporations Act 2001.
<b>Currency</b>	Australian Dollars ( <b>AUD</b> )
<b>Master Fund</b>	Spire Capital Master Fund ( <b>Master Fund</b> or <b>Trust</b> ). The Master Fund is an Australian domiciled unregistered wholesale unit trust.
<b>Trustee and Fund Manager</b>	Spire Capital Ltd ( <b>Trustee, Fund Manager</b> or <b>Spire</b> ) Level 30 Governor Macquarie Tower 1 Farrer Place Sydney NSW 2000 AFSL No. 344365 Tel: +61 2 9047 8800 Fax: +61 2 8047 8811 Email: <a href="mailto:info@spirecapital.com.au">info@spirecapital.com.au</a> Web: <a href="http://www.spirecapital.com.au">www.spirecapital.com.au</a>

<b>Distributor</b>	Spire Asset Management Pty Ltd ( <b>Distributor</b> ) has been appointed Australian Distributor of the Underlying Funds by the General Partner. The Distributor will receive compensation from the General Partner as described in Additional information
<b>Spire Group</b>	Spire Capital Ltd, Spire Asset Management Pty Ltd and Spire Investments Pty Ltd are collectively referred to in this document as Spire Group.
<b>Custodian</b>	One Managed Investment Funds Limited ( <b>Custodian</b> )
<b>Auditor</b>	KPMG ( <b>Auditor</b> )
<b>Series Investment Strategy</b>	<p>The Units will act as an AUD denominated Australian access fund to the investment strategies and expertise of the Oaktree distressed debt and special situations investment groups, led by Oaktree co-founder Mr Bruce Karsh. This exposure will be obtained by the Units making commitments to three individual funds (<b>Underlying Funds</b>) managed by affiliates of Oaktree Capital Management, L.P. The three strategies into which the Units will invest are:</p> <ul style="list-style-type: none"> <li>• Oaktree Opportunities Fund XII, L.P. (<b>Opps XII</b>) – Oaktree’s flagship distressed debt fund, a closed-ended fund which will represent approximately 39% of the Units’ investments;</li> <li>• Oaktree Special Situations Fund III, L.P. (<b>SSF III</b>) - a closed-ended fund which will represent approximately 39% of the Units’ investments and;</li> <li>• Oaktree Value Opportunities Fund, L.P. (<b>VOF</b>) – an open-ended fund which will represent approximately 22% of the Units’ investments.</li> </ul> <p>Information on each of these three strategies is provided from page 2 of this Term Sheet.</p>
<b>About Oaktree Capital Management, L.P. (Oaktree)</b>	<p>Oaktree was formed in April 1995 by Howard Marks and Bruce Karsh, and is a leading global investment management firm headquartered in Los Angeles, California, with more than 1,050 employees throughout offices in 20 cities worldwide. As of September 30, 2022, Oaktree had approximately US\$163.2 billion in assets under management (including affiliates in which Oaktree has a minority interest). Oaktree’s senior executives and investment professionals have focused on less efficient markets and alternative investments for over 34 years.</p> <p>Oaktree emphasises an opportunistic, value-oriented approach to investments in distressed debt, corporate debt, (including mezzanine finance, high yield debt and senior loans), control investing, convertible securities, real estate, listed equities and multi-strategy solutions.</p> <p>Oaktree’s primary firm-wide goal is to achieve attractive returns while bearing less-than-commensurate risk. Oaktree believes that it can achieve this goal by taking advantage of market inefficiencies in which financial markets and their participants fail to accurately value assets or fail to make available to companies the capital that they reasonably require. The investment professionals responsible for investing and managing the capital of the Underlying Funds (the “Managers”) have deep roots in achieving this goal.</p> <p>Oaktree believes that its defining characteristic is its adherence to the highest professional standards, which has yielded several important benefits. First and foremost, this characteristic has allowed Oaktree to attract and retain an extremely talented group of investment professionals. Further, it has permitted Oaktree to build</p>

	strong deal sourcing channels and cultivate relationships with banks and other financial institutions as well as company management teams, brokers, restructuring advisers and bankruptcy attorneys. This network of contacts is instrumental in obtaining preferential access to investment opportunities, some of which are made available to Oaktree on a highly selective, and in some cases exclusive, basis. Finally, over the last 34 years, the Oaktree's investment activity has positioned it among the leading participants in this market and contributed greatly to its ability to source transactions, to understand the current market and to execute its investment strategies.
<b>Applications / Offer Period</b>	Daily during the offer period of the Units, which shall be determined by the Trustee ( <b>Offer Period</b> ). The Offer Period is expected to close in mid-November 2023. The Trustee may determine to close the Offer Period at such other date in its discretion.
<b>Application conditions</b>	Investment in the Series is subject to: <ul style="list-style-type: none"> <li>a) the applicant meeting eligibility criteria as determined by the Trustee;</li> <li>b) receipt of cleared funds into application account bank account;</li> <li>c) this Term Sheet and relevant documentation being accepted; and</li> <li>d) the Trustee accepting your offer to invest in the Units, in its absolute discretion.</li> </ul>
<b>Unit Application Price</b>	Following acceptance of applications, investors will be issued Units at an application price per unit equating to the AUD equivalent of USD\$1.00 on the day an application is accepted. The Units will be issued on a fully paid basis.
<b>Minimum Investment</b>	AUD\$100,000
<b>Minimum Additional Investment</b>	AUD\$50,000
<b>Liquidity, Access to Funds and cooling-off</b>	<p>The Units will not be liquid, no cooling-off period applies to applications for the Units, and while the Units remain not liquid, investors do not have any redemption or withdrawal rights without the approval of the Trustee. However, it is anticipated (but not guaranteed, and at all times subject to the success of the investment programs of the Underlying Funds) that following the completion of the Underlying Funds' investment periods, the Units will receive returns of capital following the sale of assets. From this date the Trustee may, but is not obliged to, elect to use the returns of capital received to date to conduct a withdrawal offer to enable liquidity to investors who elect to participate in the withdrawal offer. Returns of capital which are surplus to redemption demand under any withdrawal offer will be returned to investors proportionally as part of the next distribution following the withdrawal offer or re-invested in accordance with any distribution reinvestment plan election which may be available at the time.</p> <p>It is not anticipated that investors in the Series will be able to withdraw other than on wind up of the two closed-ended Underlying Funds at the conclusion of their terms, together with a successful redemption from the open-ended Underlying Fund VOF.</p> <p>An investment in the Series is speculative and involves investment risk, including the loss of capital invested. Prospective investors must have the financial capacity to withstand the loss of capital invested.</p>
<b>Term of the Units</b>	An investment in the Units is a long-term commitment. The term of the Units will be dictated by the term of the two closed-ended Underlying Funds, Opps XII and SSF III. Opps XII, unless terminated sooner, will continue for 10 years following the

	<p>commencement of its Investment Period. However, in accordance with the terms of the Opps XII's Private Placement Memorandum (<b>PPM</b>), the term of Opps XII and therefore the Series could extend beyond this timeframe. SSF III also has a term of 10 years with extension provisions that may if necessary be activated by Oaktree. VOF is an open-ended fund and it is the intention of Spire to redeem holdings from VOF proportionate with non-recallable returns of capital received from Opps XII and SSF III. VOF does however have the ability to gate or suspend redemptions in certain circumstances, which if activated would extend the timeframe of the Series. Prospective investors acknowledge that an investment in the Series is not suitable for persons who require access to their capital invested prior to the expected termination of or redemption from the Underlying Funds.</p>
<p><b>About Oaktree Opportunities Fund XII, L.P. (Opps XII)</b></p>	<p>The investment strategy and objectives for <b>Oaktree Opportunities Fund XII, L.P. (Opps XII)</b> are as follows.</p> <p>Opps XII will engage in the same opportunistic credit investment strategy successfully employed by Oaktree's investment professionals since 1988. A primary objective of Opps XII is to realise substantial capital appreciation without subjecting principal to undue risk. Opps XII will seek to achieve this objective primarily by employing the Global Opportunities strategy's broad and flexible investment charter that seeks to identify the most attractive opportunities in any environment. Opps XII will leverage the Global Opportunities strategy's deep roots in distressed debt investing, reorganisations, and restructurings to pursue public and private distressed and privately negotiated non-distressed investments that offer substantial downside protection and strong upside potential across a wide range of industries, investment types and geographies with dependable rule of law. Like all of the Global Opportunities Funds, Opps XII's core focus will be on distressed liquid credit, which will become more of an emphasis during down-legs of the credit cycle. There can be no assurance that Opps XII's investment objective will be achieved.</p> <p>To preserve maximum flexibility to take advantage of investment opportunities, Opps XII is not subject to any specific limits or proportions with respect to the mix of permitted investments, except as provided in "Investment Limitations" as described in the Private Placement Memorandum (<b>PPM</b>) for Opps XII, which is available via link at Annexure B of this Term Sheet.</p> <p>Opps XII will pursue the same investment strategy as Opps XI, which is approximately 95% invested or committed for investment as of September 30, 2022.</p> <p>Opps XII will invest primarily in portfolio companies or issuers (or, as applicable in context, securities or other assets) that, or that are owned by companies or issuers that, in Oaktree's opinion,</p> <ul style="list-style-type: none"> <li>a) are or have been in financial or other distress;</li> <li>b) are restructuring, are considered likely to be restructured or have been restructured in an out-of-court process or in a proceeding under the federal bankruptcy laws or state insolvency laws or similar laws in or outside of the United States;</li> <li>c) are being, are considered likely to be, or have been reorganised within or outside of a proceeding under federal bankruptcy laws or state insolvency laws or similar laws in or outside of the United States;</li> <li>d) are engaged, are considered likely to engage or have been engaged in other extraordinary transactions, such as debt restructurings, reorganisations, recapitalisations and liquidations outside of bankruptcy;</li> </ul>

- e) are structured as platforms designed to invest in areas of economic or market dislocation; or
- f) are the issuers of debt securities that are trading below par or face value due to a market expectation of a potential restructuring, reorganisation or other similar extraordinary transaction (whether within or outside of a proceeding under federal bankruptcy laws or state insolvency laws or similar laws in or outside of the United States), even if Oaktree does not consider such a restructuring, reorganisation or other similar extraordinary transaction to be likely, and shall also include companies or issuers (or, as applicable in context, securities or other assets) that are otherwise being divested by any person on a distressed basis (in response, for example, to legal or regulatory considerations, changes in corporate strategy, in connection with the sale on a distressed basis by a seller who has liquidity problems or margin call obligations, or in connection with the disposition of foreclosed or other unwanted assets).

Opps XII may also make investments in portfolio companies or issuers (or, as applicable in context, securities or other assets) that, or that are owned by companies or issuers that, in Oaktree's opinion do not fall under (a) through (f) above but where, in Oaktree's opinion, the prices of such investments reflect a high market expectation of a situation covered under (a) through (f) above.

Many of Opps XII's investments will be in secured debt obligations and instruments (such as publicly traded and privately placed debt securities, bank loans and mortgages), unsecured debt securities and other debt obligations (such as trade credit) and equity securities of U.S. entities. The investments may be in both public and private instruments. Furthermore, the Fund may originate privately negotiated financing packages ("Rescue Financings", "Structured/Preferred Equity" and "Direct Loans", among others) with stressed or distressed companies seeking liquidity solutions or capital constrained companies seeking to finance growth opportunities.

Opps XII may invest in the securities or obligations of Non-North American entities and may also invest in securities or obligations of corporations, partnerships, limited liability companies, associations or other entities ("companies") that the managers believe will give Opps XII (usually in association with other Oaktree-managed funds) voting control or total ownership of the equity of such companies ("control investments"), and in mortgages and real estate properties and other investments related to real property ("real estate investments").

Opps XII's access to control investments and real estate investments generally will be after priority is accorded to other funds and accounts managed by Oaktree or affiliates of Oaktree. (See "Overlaps of the Fund with Other Oaktree Funds and Accounts and Other Conflicts of Interest" in the PPM for Opps XII located via link at Annexure B.)

Investments will be made where the managers believe the price of the security or obligation has declined to the point where the underlying asset values limit downside risk and there is meaningful upside potential. In public opportunities, the managers generally attempt to mitigate the risks entailed in Opps XII's investments by emphasising senior and secured debt securities of companies where the asset values are expected to protect the cost of the investment. In private opportunities, Oaktree generally attempts to mitigate the risks entailed in Opps XII's investments by negotiating structural protections, including: priority claims on underlying assets; strong covenants; attractive negotiated rates of returns; customized legal structures; healthy default rates of interest; and recourse to various entities. In all opportunities, Oaktree generally insists on protection from steady underlying asset or franchise value and seek

	<p>to assume a leadership role in restructuring processes if applicable and in Oaktree's view it desirable to do so. In addition, Oaktree generally seeks to purchase securities at a time when Oaktree believes that the price of such securities reflects widespread pessimism and to diversify the Opps XII portfolio with respect to number and type of investments.</p> <p>At the Underlying Fund level, Oaktree generally seeks to mitigate risks by diversifying the Opps XII portfolio with respect to number and type of investments. Additionally, Oaktree will:</p> <ul style="list-style-type: none"> <li>• seek to have low portfolio turnover, acting as long-term investors versus short-term traders;</li> <li>• seek to avoid borrowings that are recourse to a fund;</li> <li>• utilise daily risk reporting to better understand exposures and potential downside scenarios;</li> <li>• occasional hedge various market risks (e.g., commodity-price risk);</li> <li>• act as disciplined sellers in times of market excess; and</li> <li>• operate in legal environments and structures where Oaktree can protect Opps XII's rights.</li> </ul> <p>Oaktree oftentimes does not seek to control the companies in which Opps XII invests. In certain cases, Opps XII's investments may result in relatively large positions that could entail illiquidity and substantial influence during and after the reorganisation process. (See "Philosophy and Approach" in the PPM for Opps XII.)</p> <p>The Opps XII strategy benefits from experienced leadership: Bruce Karsh, Oaktree co-founder, has led the strategy since 1988, and his co-portfolio managers – Bob O'Leary for the U.S. and Pedro Urquidi for the rest of the world – have been with him for 21 and 17 years, respectively.</p>
<p><b>About Oaktree Special Situations Fund III, L.P. (SSF III)</b></p>	<p>Oaktree will manage the SSF III through its special situations group (<b>Special Situations Group</b> or <b>SSG</b>). SSF III is the seventh closed-end fund or account that Oaktree has organised since 2014 for the purpose of making special situation private equity investments primarily in the U.S. The six prior funds and accounts have combined committed capital of nearly US\$5 billion. SSF III is the seventh special situations fund or account managed by Jordon Kruse and Matt Wilson, who were named co-portfolio managers in July 2014 and took over sole responsibility for the SSG in January 2016. Mr. Kruse and Mr. Wilson, joined Oaktree in 2001 and 2007, respectively. In 2021, Zach Serebrenik, who joined Oaktree in 2008, was named an assistant portfolio manager for the active SSG Funds. In 2022, Tom Casarella and David Quick, who joined Oaktree in 2012 and 2004, respectively, were named assistant portfolio managers for the Active SSG Funds.</p> <p>The investment philosophy for SSF III is to achieve private equity returns while taking credit-like risk by obtaining control or significant influence of target companies. Oaktree believes successfully doing so requires a flexible mandate – a hallmark of the Special Situations funds. SSF III is designed to perform in any market environment, as it seeks to capitalise on company-specific situations, which can arise at every point in the market cycle. Oaktree believes, however, that the Fund is particularly well suited to the current moment because of the Oaktree team's ability to offer capital and bespoke operational solutions.</p>



SSF III pursues private equity investments in middle-market companies that are experiencing stress or temporary dislocation, or are otherwise unable (or unwilling) to access traditional capital markets (i.e., what Oaktree refer to as “Special Situations”).

SSF III will be managed with a primary objective of realising substantial capital appreciation without subjecting principal to undue risk. SSF III will seek to achieve this objective primarily by making investments in equity, equity-related and debt obligations of companies that we believe are undervalued, offer an opportunity for growth if funded appropriately, and provide an attractive risk/return profile. SSF III generally will attempt to structure its investments with a goal of obtaining control, or significant influence.

In selecting SSF III’s investments, Oaktree will focus primarily on the middle market, with a common theme of companies and industries experiencing a Special Situation. SSF III expects to utilise a flexible approach to investing by seeking to deploy capital through three types of investments: structured equity investments (e.g., debt or preferred equity with a conversion feature or warrants), direct equity investments and distressed debt.

Like its predecessor funds, SSF III will have the ability to:

- deploy capital in all market environments and accelerate the pace of investment during times of systemic distress;
- target growing companies with unique capital needs, as well as businesses undergoing temporary stress;
- invest anywhere in a company’s capital structure depending on the market cycle and the specific situation, using structured equity, direct equity or distressed debt investments; and
- assume outright control over companies or hold minority positions that enable us to exert significant influence.

When making Special Situation investments, the SSG looks for companies it believes have a clear reason for being (i.e., a defensible business model and strong long-term prospects), where Oaktree envision the potential to significantly improve growth and/or profitability and successfully exit through multiple potential paths. Target investments often include healthy or growing businesses. When targeting stressed companies, Oaktree often find that the stress is typically due to excessive leverage coupled with one or more idiosyncratic difficulties, including: a flawed strategy; poor management; a failed acquisition; a rise in input costs; a lost customer; accounting issues; the underestimation of required research and development (“R&D”) or capital expenditures; supply chain disruptions; or other dislocation. Frequently, Oaktree see healthy or growing companies that are unable – or choose not – to access the mainstream capital markets for a variety of reasons, including that they are subscale; participate in a niche industry; have a complicated or misunderstood opportunity set; want or need a partner to help professionalize or improve their business; require speed, certainty and/or discretion; have current owners who prefer to retain more upside potential and in exchange are willing to provide substantial downside protection; or have a minority partner who wants or needs to be replaced.

Oaktree believes that dependably delivering attractive risk-adjusted returns is only possible if a team is made up of people possessing significant alpha, or personal investing skill. They believe that the Special Situations Group benefits from having (a) deal team members with a high degree of industry-specific expertise (managing directors have an average of nearly 21 years of experience); (b) a Portfolio

	Transformation Team capable of improving operational performance at portfolio companies; and (c) an extensive network of highly seasoned industry advisors.
<b>About Oaktree Value Opportunities Fund. (VOF)</b>	<p>Oaktree's distressed debt investment team is one of the oldest, largest and most respected participants in its field. VOF represents an extension of Oaktree's Distressed Opportunities strategy and, for the foreseeable future, will be managed by the firm's distressed debt investment team. In general, VOF and the Opportunities Funds (including Opps XII), will employ similar strategies and tactics with regard to distressed investments, but with regard to its non-distressed investments, VOF may be more aggressive and more oriented to short-term trading, and may make greater use of such strategies as leverage, shorting, and derivatives.</p> <p>Oaktree believes that the distinguishing characteristics of its distressed debt investment team include its analytical skill, legal and bankruptcy expertise, restructuring experience, proprietary deal flow, broad market knowledge and trading acumen, all of which are required for successful investment performance in this area. Historically these characteristics have enabled Oaktree's distressed debt investment team to achieve overall excellent returns without incurring significant risk to principal.</p> <p>The investment strategy of VOF differs from that of the Opportunities Funds in that (a) the primary focus of VOF is on securities or instruments for which market quotations are readily available and which can be sold at prices consistent with such market quotations and (b) VOF is only required to invest a minimum of 35% of its net assets in distressed investments.</p> <p>The investments of VOF are intended to provide the opportunity for substantial capital appreciation without subjecting principal to undue risk of loss. VOF seeks to achieve these objectives by investing mainly in distressed debt and other value-oriented investments through both long and short positions. VOF intends to invest primarily in securities and obligations for which market quotations are readily available and which can readily be sold at prices consistent with such market quotations. VOF represents an extension of Oaktree's Distressed Opportunities strategy and will utilize the Oaktree's distressed debt investment team. Since VOF is intended to be an opportunistic investment vehicle, the composition of the portfolio will change with market conditions. When the investment environment for distressed debt is attractive, Oaktree will increase the weighting of distressed investments in the portfolio. Conversely, when the opportunities in distressed debt are less plentiful, Oaktree will shift the portfolio more toward non-distressed investments, including value-oriented equities. In general, VOF and the Opportunities Funds (including Opps XII), will employ similar strategies and tactics; however, VOF may generally hold a greater percentage of liquid assets and may be more oriented to short-term trading and make greater use of such things as investment-level leverage, shorting, and derivatives.</p> <p><b>Non-Distressed Investments</b></p> <p>VOF has the flexibility to invest, in the aggregate, up to 65% of its total net assets at any time in non-distressed investments. These investments typically will involve special situations tied to specific events outside the distressed arena where VOF can purchase securities or obligations that Oaktree believe to be undervalued or sell short securities or obligations that Oaktree believe to be overvalued. Oaktree expects that VOF's non-distressed investments will include long and short positions in equity, debt, and other securities. These positions may be leveraged, to the extent that Oaktree believes that VOF would earn a more-than-commensurate return for bearing the additional risk.</p> <p>VOF's long positions may include investments in common stocks, second-lien bank debt, and leveraged positions in "par" or "stressed" high yield bonds, for example.</p>



Oaktree look to identify undervalued situations across various asset classes for the VOF's long positions. Often, the ideas for these positions come from Oaktree's research on distressed investments. For example, Oaktree may conduct a significant amount of research on a sector that has many distressed companies. They may decide that the best investments in the sector are not in the bonds of any of the distressed companies but rather in the stock of one that is solvent. Ideas for these positions also come from the broader Oaktree platform, including its High Yield Bond, Senior Loan, Strategic Credit, Emerging Market Opportunities, Value Equity and Real Estate strategies. For example, an analyst on the Value Equities team could identify a high-conviction, deep-value equity opportunity and share the long idea with the Distressed Debt team for VOF.

VOF also sells short securities. The short positions may be directional, in instances where Oaktree believes the securities shorted are overpriced on an absolute basis. In addition, the short positions may be (i) alpha short in which the Oaktree shorts individual debt and equity positions to generate alpha and further hedge the portfolio or (ii) part of a hedged "long/short" trade in which Oaktree attempts to take advantage of relative mispricing between different types of securities. Examples of long/short trades could include going long the stock of one company and shorting the stock of a competitor in the same industry, or going long the bonds of a company and shorting the stock of the same company, among others. Again, some of these ideas may come from Oaktree's work on distressed investments or collaboration with the broader Oaktree platform. For example, an analyst on the Strategic Credit team could identify a stressed investment opportunity in one of the sectors he or she covers and share the short idea with the Distressed Debt team for VOF.

#### **Distressed Investments**

VOF may also seek to invest in situations where a company or its owners are undergoing, are considered likely to undergo or have undergone reorganisation under U.S. federal bankruptcy laws or similar laws in other countries ("bankruptcies") or other extraordinary transactions, such as debt restructurings, reorganisations, and liquidations outside of formal bankruptcy proceedings ("workouts"). VOF also may make investments in situations where Oaktree does not expect a company or its owners to undergo reorganisation, restructuring, or other similar extraordinary transaction if Oaktree believes the prices of such investments reflect a high market expectation of reorganisation, restructuring, or other similar extraordinary transaction. The foregoing companies or owners, collectively or individually as the context may require, are sometimes referred to as "reorganisation companies" or "extraordinary transaction companies," as appropriate, and collectively as "distressed companies."

#### **Bankruptcies**

Oaktree believes that investments in situations where a company or its owners are involved in or are emerging from reorganisation proceedings under U.S. federal bankruptcy laws or similar laws in other countries, as well as those considered likely to become involved in such proceedings, are often available at prices that are depressed in relation to underlying asset values or the prospects for recovery. These low prices result from the tendency of many investors and lenders to sell their interests when they or a company they own enters, or has just emerged from, bankruptcy proceedings or shows signs of serious financial distress. Such sales are often made without full analysis of the value of underlying assets or the potential for successful reorganisation, or are dictated by laws, policies or restrictions, or other considerations. VOF will acquire securities and obligations of reorganisation companies, including those that have recently undergone reorganization, when Oaktree's analysis indicates that the price

has declined to a point where Oaktree believes that the underlying asset values protect against loss of VOF's principal and where the prospects for markedly higher post-reorganisation values provide the potential for significant appreciation.

VOF will emphasize investments in reorganisation companies that are perceived to have substantial asset values or business franchises, are in generally sound industries and have competent management. Oaktree screens companies with public or private debt that show signs of financial weakness or have recently entered reorganisation proceedings. Companies that have defaulted on debt securities but have not yet filed for protection under applicable bankruptcy laws and companies that have recently emerged from bankruptcy proceedings are also prime candidates for VOF.

Prospective reorganisation companies are subjected to analysis of their assets, liabilities, cash flow, management, business and industry characteristics, and identifiable contingent liabilities. If applicable, projected financial statements upon consummation of the reorganization process, nature and motivation of key creditors, estimated time to complete the reorganization, and related legal and financial issues are also analysed.

The exact timing of investments will vary from case to case. In some cases, the optimum time for investment may be shortly after a bankruptcy filing, as this can often be the point in time when prices are lowest and the market tends to be the most inefficient. In other cases, VOF may invest either shortly before or after a plan of reorganisation is proposed or shortly after the bankruptcy is over. However, depending on factors such as price, asset values and, if applicable, the time estimated to consummate the reorganisation, investments can be made at any time before, during, or after bankruptcy. Similarly, the timing of the sales of investments by VOF may vary from case to case. Generally, investments purchased before or during the reorganisation process will be held for the duration of the process and will not be sold in advance of the consummation of a reorganization. However, if fundamentals deteriorate or the price has been bid up to a point where, in the opinion of Oaktree, the expected return no longer justifies continued holding, the positions may be sold. VOF may purchase or retain investments after a reorganisation is formally completed. This may occur where the reorganisation plan contemplates post-reorganisation actions, such as dispositions of assets, or where other factors lead Oaktree to believe that holding the investment is in the best interests of VOF.

The form of VOF's investments will vary depending on the capital structure of the distressed company, the relative prices of its debt and equity securities, and the nature and terms of those securities (including collateral, seniority, accrued interest, and original issue discount).

With respect to its investments in reorganisation companies, VOF may participate actively in the reorganization process when Oaktree determines it is feasible and desirable to do so. This participation will often involve working with creditors' committees and other creditors and could include actual membership on such committees when Oaktree believe that the advantages outweigh the trading, confidentiality, and other restrictions that such membership often entails.

#### **Workouts**

VOF may invest in situations where a company or its owners may be, or may have been, engaged in or emerging from other transactions such as debt restructurings, reorganisations, and liquidations outside of bankruptcy. Oaktree uses screening and analytical procedures similar to those described above for reorganisation companies when making and disposing of investments in extraordinary transaction companies.

	<p>The exact timing of particular investments and sales will vary. Investments may be made either before or after plans for restructuring, reorganisation, or liquidation are announced or commenced, depending on the circumstances. Investments may be sold at any time during or after the workout process. VOF's investments in extraordinary transaction companies may make it feasible and desirable for VOF to participate actively in these workouts.</p> <p><b>Control-Type Investments</b></p> <p>VOF may invest in control investments. Generally, however, VOF does not expect to participate in the day-to-day management of such companies or to exercise operational control. Large equity holdings, especially if VOF has designated one or more directors of the issuer, could nevertheless result in diminished liquidity with respect to portfolio securities because of trading and confidentiality restrictions and could entail additional securities law compliance requirements and costs. Some large debt investments, through conversion to equity, also could result in VOF owning a significant percentage of a company's voting securities and thus affect VOF's liquidity with respect to such investment. (See "Certain Investment Considerations — Illiquidity" in the Underlying VOF PPM, the link for which is located at Annexure B.)</p>
<b>NAV of the Units</b>	<p>The Fund Manager will estimate the NAV of the Units as of the end of each calendar month (or as of any other day as may be selected by the Fund Manager). Any such estimate will be based solely on (i) the most recent valuation of the Underlying Funds made available to all investors in the Underlying Funds; (ii) the operating expenses of the Master Fund that are attributable to the Units; and (iii) fluctuation in foreign exchange rates and currency hedge mark to markets, mainly between the US Dollars (USD) and the AUD.</p> <p>With respect to the valuation of the Master Fund's investments in the Series Sub-Trust that are attributable to the Units, the Fund Manager will rely on the latest valuation information available from the Series Sub-Trust as conclusive, subject to any adjustments that the Fund Manager considers necessary or desirable (including, without limitation, accrual of fees and currency exchange conversion and hedging mark to markets). There is no guarantee that such valuation information will be current as of the date on which the valuation of assets of the Units is determined.</p> <p>Other assets held by the Master Fund that are attributable to the Units will be valued at market value using valuation methods and policies consistent with industry standards.</p>
<b>Unit Pricing and Reporting</b>	<p>Investors in the Units will receive the following reporting and notifications:</p> <p><u>Investor monthly statement and report</u></p> <p>An investor statement containing the NAV and Unit Price and a report will be prepared each month and sent to you by email. Such report sets out an overview of the Series' performance for the period.</p> <p><u>Transaction confirmations</u></p> <p>The Master Fund's registry will provide written confirmation of each of your transactions promptly. This includes initial investments and distributions. Confirmation will be made to you by email</p> <p><u>Tax statement</u></p> <p>A year-end tax statement or AMIT Member Annual Statement (AMMA), will be sent to you by the registry with tax information as soon as reasonably practicable after the end of the financial year to help you include the information in your tax return.</p>

	<p><u>Annual financial report</u></p> <p>The audited consolidated financial statements for the Master Fund will be prepared as at 30 June each year and available on the Spire capital website, or can be sent to you by email on request.</p> <p><u>Indirect investors</u></p> <p>If you are investing as an indirect investor via an investor directed portfolio service (IDPS), your IDPS provider will report to you about your investment. Please refer to them about the frequency and nature of reporting on your investment.</p>
<b>About the Master Fund</b>	<p>This Term Sheet relates to the Units, which are a class of units of the Spire Capital Master Fund (<b>Master Fund</b>), which is an unregistered unit trust that invests in a range of assets through separate unit classes.</p> <p>As at the date of this Term Sheet, the Master Fund has 30 separate classes of units (each, a <b>Class</b>). Assets and liabilities attributable to a Class are generally segregated from other Classes, and each Class has no recourse to any other Class. Assets attributable to each Class are invested separately, via a sub-trust (each, a <b>Sub-Trust</b>). Notwithstanding this, assets and liabilities of the Master Fund that are not attributable to a specific Class will be allocated among all Classes in accordance with the Trust Deed. Additional Classes may be created from time to time.</p> <p>When you invest in a Class, your money is pooled with investments from other investors in that Class and used to acquire assets for the Class, which will be managed on behalf of all investors in the Class. Accordingly, the net asset value (<b>NAV</b>) and the calculation and attribution of income, expenses, assets and liabilities are made on a Class basis.</p> <p>When you invest in the Master Fund, you acquire units. Each unit that you hold in the Master Fund represents an equal and undivided interest in the Master Fund and assets attributable to the relevant Class as a whole, subject to (i) the segregation of assets and liabilities as described above, (ii) the liabilities of the Master Fund that may be allocated to a Class, and (iii) the rights, liabilities, obligations and restrictions attaching to that Class. However, the Trustee, rather than you, has control over the Master Fund's assets, management and operation. Your investment does not give you an interest in any particular asset of the Master Fund.</p> <p>You should note that the Trustee may, in consultation with the Manager, decide to terminate the launch of a Class if the aggregate amount of applications received for that Class by the relevant closing date is below AUD\$20 million. In such case, the costs and expenses associated with such launch will be borne by the Manager and not charged to the Master Fund.</p> <p>The Master Fund and all Sub-Trusts have elected into the Attribution Managed Investment Trust (<b>AMIT</b>) regime which has been introduced to reduce certain complexities and confusions associated with the taxation of managed investment trusts which existed prior to the introduction of the AMIT regime.</p>
<b>New Classes</b>	<p>The trustee of the Master Fund reserves the right to establish new Classes of units from time to time. Where established, each new Class will be issued to investors in accordance with the terms of that Class, as found in the term sheet for that Class.</p>
<b>Structure</b>	<p>All or substantially all of the assets attributable to the Units are invested in a Sub-Trust called Spire OC Blended Australian Feeder (AUD) (<b>Series Sub-Trust</b>). The Series Sub-Trust invests all or substantially all of its assets in the Underlying Funds, being:</p>

	<ul style="list-style-type: none"> <li>• Oaktree Opportunities Fund XII Feeder (Luxembourg), SCSp, (<b>Opps XII</b>) - approximately 39% of the Units' investments;</li> <li>• Oaktree Special Situations Fund III Feeder (Luxembourg), SCSp (<b>SSF III</b>) - approximately 39% of the Units' investments and;</li> <li>• Oaktree Value Opportunities (Cayman) Fund, Ltd. (<b>VOF</b>) – approximately 22% of the Units' investments.</li> </ul> <p>The structure diagram provided at Annexure A is a simplified illustration of the structure and the manner in which the Master Fund intends to hold the investments attributable to the Units. Assets may be held through a number of intermediate holding companies or partnerships (<b>Holding Entities</b>) as appropriate given commercial circumstances and the desire to be tax-efficient. The Underlying Funds may change the manner in which they acquire and holds interests in the investments, including by forming or eliminating Holding Entities.</p> <p>The Underlying Funds form part of larger fund structures that are constituted by the Main Fund, Underlying Fund, other fund investor vehicles, Holding Entities and co-investment vehicles that may be established from time to time (each, an <b>Underlying Entity</b> and collectively, the <b>Underlying Entities</b>). Not all of these Underlying Entities have been shown in the structure diagram provided at Annexure A.</p>
<b>Portfolio Manager</b>	Oaktree Capital Management L.P. ( <b>Portfolio Manager</b> ) will act as portfolio manager for the Underlying Funds.
<b>Valuation</b>	<p>The value of the Master Fund's investment in the Series Sub-Trust that is attributable to the Units is dependent on the value of the investments held directly or indirectly by the Underlying Funds. The Series Sub-Trust typically produces a valuation as of each month end. The Underlying Funds typically produces a valuation as of each quarter date.</p> <p>Most, if not all, of the Underlying Funds' investments and other assets in which the Underlying Funds directly or indirectly invests, will not have a readily ascertainable market value (i.e. are difficult-to-value assets) and will be valued by the General Partners in accordance with their valuation policy and appraisal procedures.</p> <p>The carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material.</p>

<b>Distributions</b>	Any distributable income, gains or returns of capital based upon distributions received from the Main Funds will be distributed to the Underlying Funds in accordance with the constituent documents of the Main Funds. These amounts will be distributed to the Series Sub-Trust in accordance with the constituent documents of the Underlying Funds. These amounts will then be distributed to the Master Fund in accordance with the trust deed of the Series Sub-Trust. These amounts will then be distributed to investors in the Units on an annual basis as at 30 June commencing in 2024. Generally, the Trustee is only able to make distributions to holders of Units after it has received distributions from the Series Sub-Trust in USD and has converted such distributions into AUD. There is no guarantee that the Main Funds, the Underlying Funds, the Series Sub-Trust and therefore the Master Fund, will make any distributions. The amount of distributions available may be affected by the fluctuation between USD and AUD. Prospective investors should be aware that as the Main Fund is a growth oriented total return strategy, regular distributions of income are not expected to be received from the Main Funds, the Underlying Funds and the Series Sub-Trust.
<b>Distribution Re-investment</b>	Investors may elect to re-invest distributions into another Class that is open-for investment.
<b>Tax Statements</b>	Australian and AUD denominated tax statements will be issued annually as at 30 June if there is reportable taxable income for the year.
<b>Transfers</b>	Subject to the Trust Deed, unitholders may only transfer Units with the consent of the Trustee (which may be withheld in its absolute discretion), and in the manner as prescribed by the Trustee from time to time.



## Series Sub-Trust Asset Terms

This is a summary of the terms of the Series Sub-Trust.

<b>Sub-Trust Name</b>	Spire OC Blended Australian Feeder (AUD)
<b>Trustee</b>	Spire Investments Pty Ltd ( <b>Sub-Trust Trustee</b> )
<b>Custodian</b>	One Managed Investment Funds Limited
<b>Auditor</b>	KPMG
<b>Series Sub-Trust Units</b>	<p>The Series Sub-Trust is a segregated unit trust and the Master Fund will hold 100% of a discrete class of units exposed specifically to an investment in the Underlying Funds.</p> <p>Spire Investments Pty Ltd will be the trustee for the Series Sub-Trust.</p> <p>A “Transaction Structure” diagram is included as an Annexure A to this Term Sheet.</p>
<b>Investment terms</b>	The Series Sub-Trust will issue units to the Master Fund at a price of AUD\$1.00 per unit.
<b>Series Sub-Trust Assets</b>	<ul style="list-style-type: none"> <li>Limited partnership interests in the Underlying Funds</li> <li>Cash</li> </ul>
<b>Currency Hedging</b>	<p>The Series Sub-Trust will operate a dynamic hedging policy using currency forward contracts, where the Sub-Trust’s NAV and any forecast income will be hedged in normal conditions within the following matrix:</p> <p>Minimum Hedging: 25%</p> <p>Neutral: 62.5%</p> <p>Maximum Hedging: 100%</p> <p>The Trustee will appoint a specialist in currency risk management, Rochford Capital Pty Ltd ACN 143 601 594, AFSL 361276, as currency overlay manager, to administer the hedging strategy. In periods of AUD appreciation, the currency risk manager will shift hedging towards maximum hedging levels and during periods of AUD depreciation the currency risk manager will shift hedging towards the minimum levels of hedging to manage funding requirements of the market-to-market (<b>MTM</b>) position of the hedging position.</p> <p>The Series Sub-Trust will aim to hold 5% cash liquidity to meet any margin calls that may fall due, and any hedging gains will also be retained within this liquidity provision. The currency overlay manager and Manager will monitor the Series Sub-Trust's liquidity position and may if required during periods of currency market volatility or liquidity stress, reduce the hedge ratio to zero, which would mean that the Series Sub-Trust is unhedged during that period.</p>

## Fees

<b>Management Fee</b>	0.50% p.a. x NAV of the Units (paid monthly) plus goods and services tax ( <b>GST</b> ), payable to Spire Asset Management Pty Ltd at the Master Fund level.
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<b>Underlying Management Fees</b>	<p>At the Underlying Fund levels:</p> <ul style="list-style-type: none"> <li>• Opps XII - quarterly payments (payable in advance) of an annual management fee equal to 1.60% of the Units' cost base of investments held in the Underlying Fund. Please refer to the Opps XII Private Placement Memorandum for additional information regarding the calculation of the management fee.</li> <li>• SSF III - quarterly payments (payable in advance) of an annual management fee equal to 1.60% of the Units' cost base of investments held in the Underlying Fund. Please refer to the SSF III Private Placement Memorandum for additional information regarding the calculation of the management fee.</li> <li>• VOF - quarterly payments (payable in advance) of an annual management fee equal to 1.50% of the Units' Net Asset Value in the Underlying Fund. Please refer to the VOF Private Placement Memorandum for additional information regarding the calculation of the management fee.</li> </ul>
<b>Performance Fee (Carried Interest)</b>	<p>At the Underlying Fund levels:</p> <ul style="list-style-type: none"> <li>• Opps XII - the General Partner is entitled to a 20% carried interest (performance fee) subject to Limited Partners receiving a preferred return of an 8% per annum compounded (IRR). Please refer to the Opps XII Private Placement Memorandum for additional information regarding carried interest and the calculation thereof.</li> <li>• SSF III - the General Partner is entitled to a 20% carried interest (performance fee) subject to Limited Partners receiving a preferred return of an 8% per annum compounded (IRR). Please refer to the SSF III Private Placement Memorandum for additional information regarding carried interest and the calculation thereof.</li> <li>• VOF - the General Partner is entitled to an annual performance fee equivalent to 20% of net profits subject to a "high water mark". Please refer to the VOF Private Placement Memorandum for additional information the performance fee calculation.</li> </ul> <p>No additional performance fee is charged at the Unit or Series Sub-Trust levels.</p>
<b>Sourcing &amp; Structuring Fee</b>	<p>The Manager is entitled to a sourcing and structuring fee of 0.50% plus GST of the total capital commitments made in respect of the Units. This fee is a one-off fee and is payable out of the assets attributable to the Units.</p>

**Other Operating Expenses**

The Trustee estimates direct operating costs and expenses to be 0.08% per annum plus GST based on the Units NAV\*. These costs and expenses are payable from the Master Fund's assets to the relevant person when incurred or, where initially paid by the Trustee, will be reimbursed to the Trustee at the end of each month. In addition, the Units will bear expenses incurred during the formation stage of the Fund which is estimated to be 0.03%\*. The formation cost is a one-off fee and is payable out of the assets attributable to the Units. The Units will also bear expenses in managing the currency hedging programme, estimated to be 0.09% per annum plus GST based on the Units Assets Under Management\*, together with indirect organisational expenses at the Underlying Fund levels – please refer to each Underlying Fund's Private Placement Memorandum for additional information. These expenses will indirectly be borne by the investors in the Units as a result of their investment in the Units.

\*The direct operating costs and expenses and the cost of managing the currency hedging programme is based on a reasonable estimate of the costs for the current financial year to date, adjusted to reflect a 12-month period. These estimates are based on the assumption of the Fund having assets under management of \$75 million. Should the Units NAV be less than \$75 million the direct operating costs and expenses may be higher than indicated herein. Further details are available on request from the Distributor.

## Taxation

**WARNING:** Investing in an unregistered managed investment scheme is likely to have tax consequences. Prospective investors are strongly advised to seek professional tax advice prior to making any investment decisions.

The following summary of Australian tax matters is a general guide in relation to the Australian tax implications applicable to the Master Fund and the Units. It is intended as an outline of some of the Australian tax issues which may affect an investment in the Units and should not be relied upon as a complete statement of all the potential tax considerations which may arise upon investing in the Units.

This summary is based on the Australian tax laws as at the date of this Term Sheet. The Australian tax laws are subject to continual change, and as the treatment applicable to unitholders may differ, it is recommended that all prospective unitholders seek their own professional advice on the taxation implications before investing in the Units.

### *How the Master Fund is taxed*

The Master Fund and the Series Sub-Trust is an Australian resident trust for Australian income tax purposes and on the basis that the income of the Units will be attributed to investors on an annual basis, the Master Fund should not be subject to tax.

Tax losses incurred by the Master Fund remain within the Master Fund and cannot be distributed to investors. Provided the Master Fund satisfies the relevant loss testing requirements, it may be able to offset its carry forward tax losses against the assessable income it derives in a future income year.

Where the Master Fund satisfies the eligibility requirements of a managed investment trust (**MIT**), the Master Fund can make an irrevocable election (**MIT Capital Election**) to apply a deemed “capital” treatment for gains and losses on “covered assets”. The Trustee has made the MIT Capital Election in respect of the Master Fund from inception.

### *AMIT election*

The Master Fund has elected to apply the attribution managed investment trust (**AMIT**) regime from inception and each Series Sub-Trust also elects into the AMIT regime from inception. The regime is intended to reduce complexity, increase certainty and reduce compliance costs for MITs and their investors. Under the AMIT rules, the Master Fund’s determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets will be allocated to investors each income year on a ‘fair and reasonable’ basis rather than being allocated proportionately based on each investor’s present entitlement to the income of the trust.

This attribution basis of taxation replaces the existing present entitlement basis of taxation for MITs. Where taxable income attributed is either less than or greater than the cash distributed, this leads to decreases or increases (respectively) in the cost base of an investor’s Units.

Other key features of the AMIT regime include deemed fixed trust status and the ability to make adjustments to attributable income where the Master Fund’s determined trust components are later revised in the year in which the matter requiring revision is discovered (also known as the under/over provisions).

### *Taxation of Financial Arrangements (TOFA)*

The TOFA rules may apply to certain “financial arrangements” held by the Master Fund relating to the dynamic currency hedging program. In broad terms, the TOFA regime seeks to recognise “sufficiently certain” returns on certain financial arrangements on an accruals basis for tax purposes rather than on a realisation basis. Where returns from derivative instruments are not “sufficiently certain” they will continue to be recognised on a realisation basis, unless specific tax timing elections are made.

### *Multiclass election*

The Master Fund will elect for each separate Class to be treated as a separate AMIT for tax purposes. This means that the income to be attributed to investors will be calculated for each Class on a standalone basis.

### *How resident investors are taxed*

As the Master Fund should be treated as a “flow through” entity, the taxable income of the Master Fund should be attributed to investors on a fair and reasonable basis. Australian resident investors are assessed for tax on their

attributed trust components (including for example, any income and capital gains generated by the Master Fund relative to the Unit class in which an investor is invested).

As the Master Fund is a flow through entity, the taxable income attributed by the Master Fund should retain its character in the hands of the investors, and investors will be taxed on their attributed amounts even where the amounts are not distributed in cash.

Investors who are attributed trust components from the Master Fund will receive an AMIT member annual statement (**AMMA**) detailing the relevant taxation information for the income year.

Where the distribution made for the year is less than (or more than) the certain tax components attributed to investors, then the cost base of an investor's Units may be increased (or decreased). Details of cost base adjustments will be included on an investor's AMMA.

The Master Fund may derive income from sources outside of Australia. In the event the Master Fund pays foreign tax in respect of income derived for the year, the distribution from the Master Fund may include a foreign income tax offset (**FITO**), which investors need to take into account in determining their taxable income. Investors may be able to utilise the FITOs to reduce their tax liability. Any excess or unused FITOs, for a particular income year cannot be carried forward by investors and will be lost.

Where an investor has disposed of their Units in the Master Fund, the tax treatment will depend on whether the investor holds their Units on capital account or revenue account.

If the investor holds their Units on revenue account, the gain or loss on disposal or redemption will be a revenue gain or loss and included in the investor's assessable income accordingly.

Where the investor holds their Units on capital account the investor will be subject to capital gains tax (**CGT**), and consequently, the investor may realise a capital gain or a capital loss. Where investors realise a capital gain on Units that have been held for at least 12 months, certain investors may be able to apply the relevant CGT discount (after reducing the gross capital gains by realised capital losses including carry forward capital losses) to such gains. The applicable CGT discount is 50% for resident individuals and qualifying trusts and 33.33% for complying superannuation funds and pooled superannuation trusts.

In calculating the capital gain or loss, any cost-based increase or decrease in the Units up to that point will need to be included in the calculation and consequently the investor may realise a higher capital gain or a lower capital loss on the disposal of their Units (respectively).

None of Spire, the General Partner, the Portfolio Manager or any other party in connection with the Units or the Underlying Fund, provides tax advice to investors, and does not take any responsibility for the taxation implications in respect of an investment in the Units. Investors should seek their own taxation advice from a professional adviser before making any decision to invest.

## Risks

All investments have risks. The Trustee has attempted to identify the key risks below. Prospective investors should also read all documentation in the data room prior to investing and consider whether to consult professional advisers. A copy of the Private Placement Memorandum for the Underlying Fund and the Main Fund is included as Annexure B and you should read this documentation before investing as it fully describes the risks associated with the Underlying Fund and the Main Fund.

<b>Summary</b>	<p>An investment in the Master Fund and each respective class or series of units involves a degree of investment risk and is suitable only for 'wholesale clients' (as that term is defined in the Corporations Act) (<b>Wholesale Clients</b>) who fully understand and have the financial ability and willingness to accept the substantial risks of any potential investment, including (but not limited to) the risk of a partial or complete loss of any investment in the Master Fund. Prospective investors should carefully consider the risks of investing and should carefully consider all Transaction Documents and offering materials in respect of the Master Fund and consider whether an investment in the Master Fund is appropriate in light of their investment objectives, financial situation or particular needs before making a decision to invest. The key risks that apply to the Underlying Fund and the Main Fund (which investors in the Master Fund are exposed to via their Units) are set out in the Private Placement Memorandum for the Underlying Fund.</p> <p>In addition to the risks set out in the Private Placement Memorandum, prospective investors should also consider that risks will also apply with respect to an investment in the Units and seek professional advice before making any decision to invest in the Units. These risks include (but are not limited to) the following:</p>
<b>Foreign Exchange Risk</b>	<p>The Underlying Fund fees are paid in US Dollars and Underlying Fund expenses may be payable in US Dollars or other currencies. As these expenses are not included in the currency hedging program of the Series Sub-Trust, this means that fluctuations in foreign exchange markets, namely movements between the Australian Dollar and US Dollar, may affect the amount of look through fees and expenses that are paid indirectly by an investor. In order to hold liquidity to meet potential margin calls associated with the dynamic currency hedging program, the Series Sub-Trust intends to hold 5% in cash as a liquidity reserve. This strategy will be dilutive to returns to the extent that this cash is not invested into the Underlying Fund. This liquidity reserve may prove insufficient in periods of currency volatility, meaning that if so, the Manager may need to transition the Series Sub-Trust and therefore the Units to an unhedged position until such time as distributions have been received from the Underlying Fund to replenish the liquidity reserve to enable the reactivation of the dynamic currency hedging program.</p>
<b>Legal and Regulatory Change Risk</b>	<p>The Master Fund is domiciled in Australia, and subject to Australian law. The Underlying Funds is domiciled in Luxembourg and the Cayman Islands. Other interposed investment entities may be domiciled in the Cayman Islands, the United States or other jurisdictions. A change in law or the regulatory environment in any of these jurisdictions may impact upon an investor's investment in the Master Fund, the operations of the Master Fund and the returns generated by the Units. No assurance can be given by the Trustee or the Manager as to the impact of any possible changes such laws and regulations which could have a negative impact on an investor's return.</p>



<b>Operational Risk</b>	<p>The value of an investment in the Units is dependent upon the ability of the Manager to perform its obligations in connection with the Units, including to facilitate the investment into the Underlying Fund. There is a risk that the Master Fund or Units could terminate, that fees and expenses could change or that Spire Group entities could be replaced as Trustee of the Master Fund and/or Series Sub-Trust. Operational risks also apply to the activities of Spire Group entities and the General Partners and the Portfolio Manager.</p> <p>The Units in the Master Fund are issued by the Trustee and the return of an investment in the Master Fund is dependent on the performance of the Trustee and the Manager and their ability to meet their obligations under the constituent documents of the Master Fund. If the Trustee or the Manager are wound up, become insolvent or are otherwise unable to meet their obligations under the constituent documents of the Master Fund, the performance of an investment in the Master Fund may be negatively impacted.</p>
<b>Underlying Funds Risk</b>	<p>The return of an investment in the Master Fund is subject to the performance of the General Partners and the Portfolio Manager and their ability to meet their obligations under the constituent documents of the Underlying Funds. If the General Partners or the Portfolio Manager are wound up, become insolvent or are otherwise unable to meet their obligations under the constituent documents of the respective Underlying Funds, the performance of an investment in a Class of units in the Master Fund may be negatively impacted.</p> <p>Prospective investors should carefully consider the risks that apply to the Underlying Funds (which investors in the Master Fund are exposed to via the Units) which are set out in the Private Placement Memorandums located via link at Annexure B.</p>
<b>Regulatory Risk</b>	<p>The Master Fund is not required to be registered under the Corporations Act and accordingly, investors in the Master Fund do not receive the protections provided under the Corporations Act or ASIC as a regulated scheme. The Master Fund will be governed by the Trust Deed and offers of Units in the Master Fund will not be lodged with ASIC.</p>
<b>Counterparty Risk</b>	<p>Counterparties to agreements with the Trustee or the Manager may not perform their obligations under those agreements which could adversely affect the performance of the Master Fund and any investment in the Units.</p>
<b>Illiquid Investments</b>	<p>An investment in the Master Fund is expected to be illiquid and there is no established secondary market in which an investor may sell its Units in the Master Fund and none is expected to develop in the future. In addition, investors have no right to withdraw their Units from the Master Fund, except in accordance with the Trust Deed.</p>
<b>Indemnification</b>	<p>The Trustee is entitled to be indemnified out of the assets of the Master Fund for any liability incurred in properly performing any of their duties and in properly exercising any of their powers in relation to the Master Fund, which may result in a loss of capital for investors in the Master Fund.</p>
<b>Investor Liability</b>	<p>The Transaction Documents contain provisions designed expressly to limit the liability of investors, in their capacity as investors in the Master Fund, to the amount (if any) which remains unpaid in relation to their capital commitment. There is however no absolute assurance that, and the Trustee and the Manager do not guarantee that, the liability of investors will be limited as intended by those provisions.</p>

<b>Taxation Risk</b>	None of Spire, the General Partner, the Portfolio Manager or any other party in connection with the Units, the Underlying Fund or the Main Fund, provides tax advice to investors, and does not take any responsibility for the taxation implications in respect of an investment in the Units. Prospective investors should seek their own taxation advice from a professional adviser before making any decision to invest.
<b>Other Risks</b>	The above risks are not an exhaustive list of all risks relevant to an investment in the Master Fund, please consult with professional advisers as appropriate to consider other factors which may impact an investment in the Units.

## Additional Information

<b>How to apply</b>	<p>To apply, please complete the Application Form accompanying this Term Sheet. Please note that any application will be accepted only on a cleared-funds basis and that cash cannot be accepted.</p> <p>If you are investing indirectly through an IDPS, you may invest in the Master Fund by directing your IDPS operator to lodge an application with us. You should complete any relevant forms provided by your IDPS operator.</p>
<b>Privacy and personal information</b>	<p><i>Indirect investors</i></p> <p>If you are investing indirectly through an IDPS, we do not collect or hold your personal information in connection with your investment in the Master Fund. Please contact your IDPS operator for more information about their privacy policy.</p> <p><i>Direct investors</i></p> <p>We collect personal information from you in the Application Form and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal the information, we will not be able to do so. Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:</p> <ul style="list-style-type: none"> <li>• the kinds of personal information we collect and hold;</li> <li>• how we collect and hold personal information;</li> <li>• the purposes for which we collect, hold, use and disclose personal information;</li> <li>• how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances);</li> <li>• how you may complain about a breach of the Australian Privacy Principles (<b>APP</b>), or a registered APP code (if any) that binds us, and how we will deal with such a complaint; and</li> <li>• whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.</li> </ul> <p>We may also give your personal information to service providers of the Master Fund, including the Manager, the Custodian, the Master Fund administrator, the Master Fund</p>

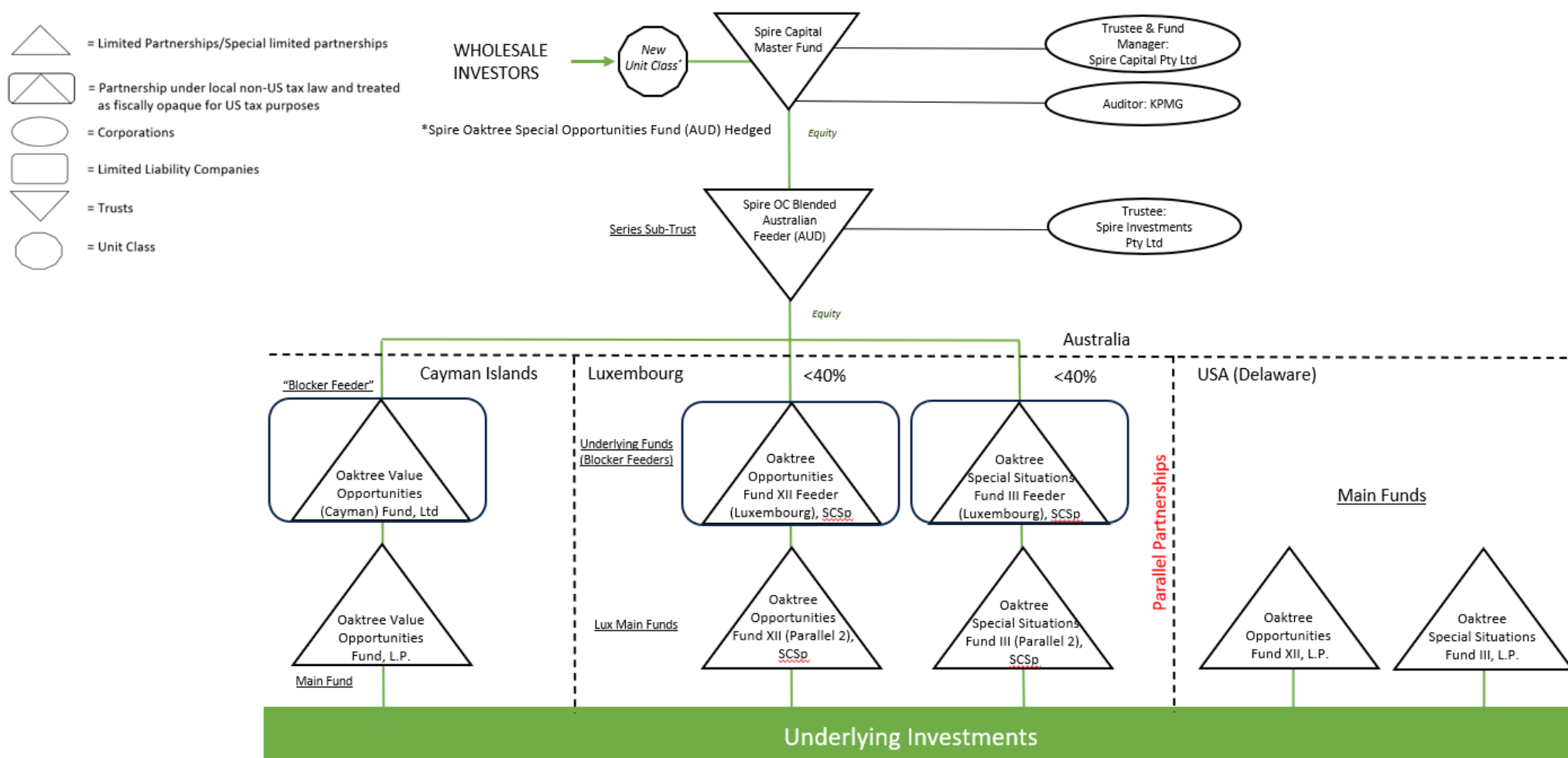
	<p>accountant and their related bodies corporate (<b>Service Providers</b>) which may require transferring your personal information to entities located outside Australia where it may not receive the level of protection afforded under Australian law. We and the Service Providers may use personal information collected about you to notify you of other products.</p> <p>Our privacy policy is available free of charge by contacting us. Personal information will also be handled by the Manager in accordance to the Manager's privacy policy</p> <p><i>Anti-Money Laundering/Counter-Terrorism Financing Laws</i></p> <p>Under the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth) (<b>AML Act</b>), we are required to verify your identity before providing services to you, and where you supply documentation relating to your identity, keep a record of this documentation for seven years after you end your relationship with us.</p> <p>Transactions may be delayed or refused where we require further information regarding your identity or we have reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country. Where transactions are delayed or refused, we are not liable for any loss you suffer, including consequential loss, as a result of our compliance with the AML Act or similar law of any other country.</p> <p>Where required by law, we may disclose your information to regulatory or law enforcement agencies, including the Australian Transaction Reports and Analysis Centre (<b>AUSTRAC</b>), which is responsible for regulating the AML Act.</p> <p>Customer identification requirements for individual investors are collected in the Application Form.</p> <p><i>Further information</i></p> <p>We authorise the use of this Term Sheet as disclosure to people who wish to access the Master Fund indirectly through a Service Provider. In this circumstance, the Service Provider becomes an investor in the Master Fund and acquires the rights of an investor and may exercise, or decline to exercise, these rights on your behalf.</p>
<b>Enquiries and complaints</b>	<p>If you have an enquiry or complaint, please contact the Trustee in the first instance. The Trustee's details are set out in page 1 of this Term Sheet.</p> <p>Spire is a member of the Australian Financial Complaints Authority (<a href="https://www.afca.org.au/">https://www.afca.org.au/</a>)</p>
<b>Marketing Disclosure</b> <i>(in accordance with Rule 206(4)-(1) of the U.S. Investment Advisers Act of 1940)</i>	<p>Spire Asset Management Pty Ltd (<b>Distributor</b>) is not a current client of, or investor in a private fund advised by, Oaktree Capital Management, L.P. (<b>Portfolio Manager</b>).</p> <p>Spire Asset Management Pty Ltd receives cash compensation for soliciting persons and entities, including the Master Fund, to be an investor in private funds advised by the Portfolio Manager. The Portfolio Manager will pay to Spire Asset Management Pty Ltd a fee equal to 1.0% of the capital commitment made by an investor, including the Master Fund.</p> <p>Due to the compensation arrangements, Spire Asset Management Pty Ltd has an incentive to recommend an investment in the Master Fund resulting in a material conflict of interest.</p>

## Directory

<b>Trustee (Master Fund)</b>	Spire Capital Ltd Level 30, Governor Macquarie Tower 1 Farrer Place SYDNEY NSW 2000
<b>Trustee (Sub-Trust)</b>	Spire Investments Pty Ltd Level 30, Governor Macquarie Tower 1 Farrer Place SYDNEY NSW 2000
<b>Distributor</b>	Spire Asset Management Pty Ltd Level 30, Governor Macquarie Tower 1 Farrer Place SYDNEY NSW 2000
<b>Custodian</b>	One Managed Investment Funds Limited Level 16, Governor Macquarie Tower 1 Farrer Place SYDNEY NSW 2000
<b>Auditor</b>	KMPG Level 38 Tower Three 300 Barangaroo Avenue Sydney NSW 2000
<b>Tax Adviser</b>	KMPG Level 38 Tower Three 300 Barangaroo Avenue Sydney NSW 2000
<b>Fund Administration &amp; Fund Accounting</b>	Unity Fund Services Level 16, Governor Macquarie Tower 1 Farrer Place SYDNEY NSW 2000
<b>Registrar</b>	One Registry Services Level 16, Governor Macquarie Tower 1 Farrer Place SYDNEY NSW 2000
<b>Currency Overlay Manager</b>	Rochford Capital Pty Ltd Level 23, 25 Martin Place SYDNEY NSW 2000

## Annexure A – Transaction Structure

### Spire Oaktree Special Opportunities Fund (AUD) Hedged – Transaction Structure



## **Annexure B – Private Placement Memorandums**

Please find the Private Placement Memorandum for Oaktree Opportunities Fund XII Feeder (Luxembourg), SCSp [here](#).

Please find the Private Placement Memorandum for Oaktree Special Situations Fund III Feeder (Luxembourg), SCSp [here](#).

Please find the Private Placement Memorandum for Oaktree Value Opportunities (Cayman) Fund, Ltd [here](#).

Please find the Subscription Agreement for Oaktree Opportunities Fund XII Feeder (Luxembourg), SCSp [here](#).

Please find the Subscription Agreement for Oaktree Special Situations Fund III Feeder (Luxembourg), SCSp [here](#).

Please find the Subscription Agreement for Oaktree Value Opportunities (Cayman) Fund, Ltd [here](#).

Copies of the Limited Partnership Agreement (LPA) for each Underlying Fund are available on request to Spire.



## Disclaimer

Spire Capital Ltd ACN 141 096 120 (AFSL No. 344365) is the issuer of this Term Sheet and the Units in the Spire Capital Master Fund (**Master Fund**). This Term Sheet, in conjunction with the other Transaction Documents, together form the terms of your investment in the Units.

This Term Sheet has been prepared for Wholesale Clients only, is not, is not required to be, and under no circumstances is it to be construed as, a disclosure document or product disclosure statement within the meaning of the Corporations Act. This Term Sheet may not contain the same level of disclosure as those documents and has not been, and is not required to be, lodged with the Australian Securities & Investments Commission (**ASIC**). The offer of interests in the Master Fund is only available in Australia and to Australian residents who are Wholesale Clients and where the offer of the interests in the Master Fund would not require disclosure under Part 6D.2 or Part 7.9 of the Corporations Act). This Term Sheet has not been lodged with the ASIC and the Master Fund is not a registered scheme (as defined in the Corporations Act). This Term Sheet is not, and under no circumstances is it to be construed as creating any binding legal obligations, or as an offer to sell or a solicitation of an offer to buy any interests in the Master Fund. The offer of interests in the Master Fund will only be made in, or accompanied by, a copy of all Transaction Documents.

This Term Sheet is not intended to constitute financial product advice, nor does it contain any recommendation in respect of the interests in the Master Fund or any other financial product. To the extent this Term Sheet contains any financial product advice, this is general advice only and does not constitute personal advice or investment advice. The Trustee and the Manager have not taken into account the investment objectives, financial situation or particular needs of any person. Prior to making an investment decision in respect of the Master Fund, individuals should obtain and carefully consider all Transaction Documents and offering materials in respect of the Master Fund and consider whether an investment in the Master Fund is appropriate in light of their investment objectives, financial situation or particular needs. The Trustee and the Manager strongly recommend that individuals seek independent professional advice as to the financial, taxation, and other implications of any potential investments in the Master Fund and the material contained in this Term Sheet.

This Term Sheet is intended solely for the use of the person to whom it has been delivered (**Recipient**) for the purposes of a possible investment in the Units. This Term Sheet, and the information contained herein, is confidential and commercially sensitive. The information in this Term Sheet must not be reproduced, disclosed, made available or distributed to any person (other than the Recipient's professional advisers) without the Trustee's prior written consent. Each Recipient agrees to promptly return or destroy this Term Sheet upon the Trustee's request.

The Trustee is the holder of an Australian Financial Services Licence (AFSL No. 344365) and is authorised to provide advisory, dealing and custodial services in respect of certain financial assets (including interests in the Master Fund) to Wholesale Clients only.

Spire Asset Management Pty Ltd ACN 625 698 651 and Spire Investments Pty Ltd ACN 141 096 120 are Authorised Representatives (number 001297053 and 001297054, respectively) of AVC Enterprises International Pty Ltd ACN 628 068 388 (AFSL No. 516646).

This document is not an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. The distribution of this document outside Australia may be restricted by the laws of places where it is distributed and therefore persons into whose possession this document comes should seek advice on and observe those restrictions.

This material (other than the private placement memorandum and governing documents of any Portfolio Fund) (the "Information") has been prepared solely by Spire Capital Ltd (ACN: 141 096 120, AFSL No: 344365) ("Spire"). No investment fund managed, advised, sponsored and/or affiliated with Oaktree Capital Management, L.P. (the "Portfolio Funds" and each, a "Portfolio Fund") or any affiliate of the foregoing (together, the "Oaktree Persons") has independently verified the Information and no Oaktree Person accepts any liability or responsibility or makes any representation or warranty as to the accuracy, completeness, or reliability of the Information, or has any responsibility to update the Information. This material does not constitute an offer or invitation to purchase direct interests in any Portfolio Fund. Investors should be aware that while Spire is providing investors the opportunity to participate in the Spire Fund (which

in turn intends to invest in the Portfolio Funds), no direct or indirect investor in the Spire Fund will be a direct interest holder or partner in the Portfolio Funds. In particular, investors in the Spire Fund will have no contractual relationship with and no direct recourse against any Oaktree Person or any direct or indirect third-party investor in any Portfolio Fund. If you are in any doubt about any of the contents of this Information, you should obtain independent professional advice.

## Investment Decision

A person must consider each of the Transaction Documents prior to deciding whether to invest in the Units.

Terms which are capitalised but not defined in this Term Sheet, have the meaning given in the Trust Deed for the Master Fund and the IM.

This material may not be reproduced, distributed or transmitted to any other person or incorporated in any way without the Trustee's prior written consent.

The information contained in this Term Sheet is general information only. This Term Sheet does not (and is not intended to) contain any recommendations, statements of opinion or advice. In any event, the information in this Term Sheet does not consider any individual person's objectives, financial situation or particular needs. This Term Sheet has been prepared without taking into account the financial objectives, needs and circumstances of persons. The transfer of Units in Australia or to Australian residents may be restricted.

An investment in the Master Fund is speculative, involves a high degree of risk and is suitable only for Wholesale Clients who fully understand and have the financial ability and willingness to accept the substantial risks of any potential investment, including (but not limited to) the risk of a partial or complete loss of any investment in the Master Fund. An investment in the Master Fund is not suitable for persons who require predictable levels of return or liquidity. Accordingly, by accepting this Term Sheet, each person represents that they understand the risks involved in any potential investment in the Master Fund and possess sufficient background, financial ability and willingness to accept the high risks and lack of liquidity inherent in any potential investment in the Master Fund. No person (including, without limitation, the Trustee and the Manager) guarantees the performance of, or any specific rate of return from any investment in the Master Fund. There are inherent risks in investing in the Master Fund, including (without limitation) the risk that any investment in the Master Fund is speculative, that any investment may result in a reduction in or loss of the capital value of any investment, loss of income and returns that are less than expected or delays in repayment of capital.

## Forward Looking Statements

This Term Sheet contains forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. These forward-looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward-looking statements, including (without limitation) future changes or developments in the business of the Master Fund, their competitive environments, information technology and political, economic, legal and social conditions in government regulations, including changes in laws. Further, such forward-looking statements speak only on the date at which such statements are made. The Trustee and the Manager make no guarantee or undertake any obligation to update any forward-looking statements to reflect events or circumstances after the date of such statement.

While the Trustee believes that the expectations reflected in the forward-looking statements in this Term Sheet are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors set out in "Risks" section, as well as other matters as yet not known to the Trustee or not currently considered material by the Trustee, may cause actual results or events to be materially different from those expressed, implied or projected in any forward-looking statements. Any forward-looking statement contained in this Term Sheet is qualified by this cautionary

## Opinions

This Term Sheet contains statements of opinion and belief. Any views expressed herein are those of the issuer of this Term Sheet as of the date indicated, are based on information available to the issuer of this Term Sheet as of such date, and are subject to change, without notice, based on market and other conditions. No representation is made or

assurance given that such views are correct. The issuer has no duty or obligation to update the information contained herein.

#### Recipient Representations

By accepting this Term Sheet you: (1) represent that you are a Wholesale Client; (2) represent that you have read and agreed to the information contained in this Term Sheet, including this Disclaimer section; and (3) agree to keep the Term Sheet and its contents confidential and not to provide it to other persons other than your advisers provided they also maintain such confidentiality.