

One Managed Investment Funds Limited

Policy Name: Board Charter

Adopted by the Board on 22 August 2014

1. Introduction, Scope and Purpose

1.1 One Investment Group (**OIG**) is a professional corporate trustee group of companies that offers a suite of products to 3rd parties including, but not limited to, responsible entity services to registered managed schemes that are ASX listed managed investment schemes (including the Gryphon Capital Income Trust ARSN 623 308 850, ASX Code: GCI– the **Fund**).

One Managed Investment Funds Limited ABN 47 117 400 987 (the **Company**) currently acts as responsible entity of the Fund. The One Investment Group is comprised of One Investment Group Pty Ltd and its subsidiaries, including the Company.

This charter applies to the Company (where relevant), the Fund and any other fund that the Company may act as responsible entity for and is listed on the ASX.

1.2 This charter describes the responsibilities of the board of directors of the Company, the role of the Company board in determining the strategic direction of the Fund, the process by which performance against business objective of the Fund are monitored and responsibilities for maintaining appropriate standards of risk management, compliance and internal control. This charter explicitly recognises that integrity is an essential element of good governance.

2. Board of Directors – responsibilities and roles

2.1 The primary responsibility of the board and the individual directors of the board is to:

2.1.1 cause the Company to comply with its obligations as responsible entity of the Fund; and

2.1.2 comply with their obligations as officers of a responsible entity.

2.2. These obligations importantly include that the board must act in the best interests of unit holders of the Fund and if there is a conflict between the unit holder's interests and the interests of the responsible entity to give priority to the interests of the unit holders.

2.3. These obligations override any conflicting obligation that directors may have to the shareholders of the Company that are imposed under the Corporations Act 2001.

2.4. The board is responsible for the performance and operation of the Company. These responsibilities include:

2.4.1 to review and approve the strategic objectives for the Fund;

2.4.2 to monitor the financial and business operations of the Fund as against disclosed targets/estimates and strategic objectives (if any) approved by the board;

2.4.3 to approve budgets and business plans for the Fund;

2.4.4 to establish such committees and to delegate the board's powers to those committees as it sees fit;

- 2.4.5 to delegate to appropriate officers, such powers and authorities as the board considers necessary or desirable;
- 2.4.6 financial and other reporting – including considering and approving the Fund’s half-yearly and annual financial statements – monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting;
- 2.4.7 to consider and approve payment of distributions for the Fund;
- 2.4.8 to approve or ratify documents required to be executed by the Company in its capacity as responsible entity of the Fund;
- 2.4.9 to maintain corporate governance standards in relation to the Fund as the board specifies;
- 2.4.10 to monitor and to ensure that the Company satisfies its legal obligations as responsible entity of the Fund; and
- 2.4.11 to undertake such actions as necessary to meet the requirements of all applicable legislation and regulations applicable to the Company, including the terms of the Australian Financial Services Licence of the Company.

2.5 The above requires the board to work as a team and meet on a regular basis.

2.6 The board meets regularly in scheduled board meetings. In addition to scheduled board meetings, any director may convene a board meeting where the director considers a meeting is necessary or convenient to the proper discharge of the functions of the board or in the interests of the Fund.

3. Directors

3.1 The appointment and removal of directors is governed by the constitution of the Company and the Corporations Act 2001.

3.2 The Company constitution does not set a maximum number of directors. The number of directors may vary from time to time, but the board of Company will seek to ensure that the number of directors is sufficient to enable the board to properly discharge its functions and provide an appropriate blend of expertise and experience.

3.3 The Company constitution provides that the directors may appoint any natural person to be a director, either to fill a casual vacancy or as an addition to the existing directors.

3.4 Directors are selected recognising that a blend of skills, market experience, broader commercial experience and other expertise is required to provide responses and reactions to the day-to-day operation of the Company.

3.5 The directors are responsible for ensuring that the board functions effectively and that they take steps to be appropriately informed about issues concerning the Company’s business.

3.6 The board and each director has, in appropriate circumstances, and subject to prior discussion with the Company’s chairman the right to seek independent professional advice.

- 3.7 The directors will have access to all information concerning the Company that they require and the company secretary will be responsible for ensuring that such access is provided.
- 3.8 The board will at least once a year assess its performance over the course of that year. The board may, if it elects, appoint an independent consultant to conduct such a review.
- 3.9 The chairman of the Company is responsible for the conduct of all board meetings. This includes being satisfied that the agendas are comprehensive, that all agenda items are appropriate and that recommendations fit within the broad strategic direction approved by the board.

4. Committees of the Board

- 4.1 The board may appoint special purpose committees from time to time where it considers issues warrant specialist or particular attention or where it otherwise considers the appointment of a committee to be appropriate. In relation to any committees appointed by the board as provided for in this paragraph:
- 4.1.1 papers relating to these committees of the board are made available to all directors;
 - 4.1.2 the board will determine the charter for that committee;
 - 4.1.3 The chairman, and any other director, may attend any meeting of any committee and may raise any issue with the chairman of the relevant committee or with the company secretary; and
 - 4.1.4 All committees provide the board with a report of their proceedings at the next board meeting.

5. Conflict Resolution

- 5.1 OIG has in place a Conflict of Interests policy and senior management and directors of OIG monitor the application of this policy in addressing conflicts or perceived conflicts of interest involving the interests of the Company and other OIG entities and reviews the appropriateness of this policy in relation to the Fund. A record of all related party transactions will be maintained by management.
- 5.2 Related party dealings and transactions between the Fund and OIG entities proposed by management require the approval of the board, regardless of the value of the transaction being proposed. It is noted that any such related dealings are subject to the constitution of the Fund, any ASX listing rules, any Corporations Act requirements, ASIC requirements and AFSL obligations.

6. Secretary

The company secretary has functional responsibility for the co-ordination of all board business including agendas, board papers, minutes, communication with regulatory bodies, and all statutory and other filing.

7. Delegation of Authority

The board has established corporate delegations to management under which they may proceed to conduct business operations. Those authorities are reviewed periodically to ensure that they may reasonably undertake operations and having regard to the skill and experience of the relevant people involved and to the scale of the business.

8. Monitoring material outsourced services

8.1 The board has appointed certain related entities of OIG as service providers to the Fund.

8.2 The Company is responsible for, amongst other things, the supervision of such service providers.

9. Review

It is intended that this charter be reviewed as necessary and in any event every two years.