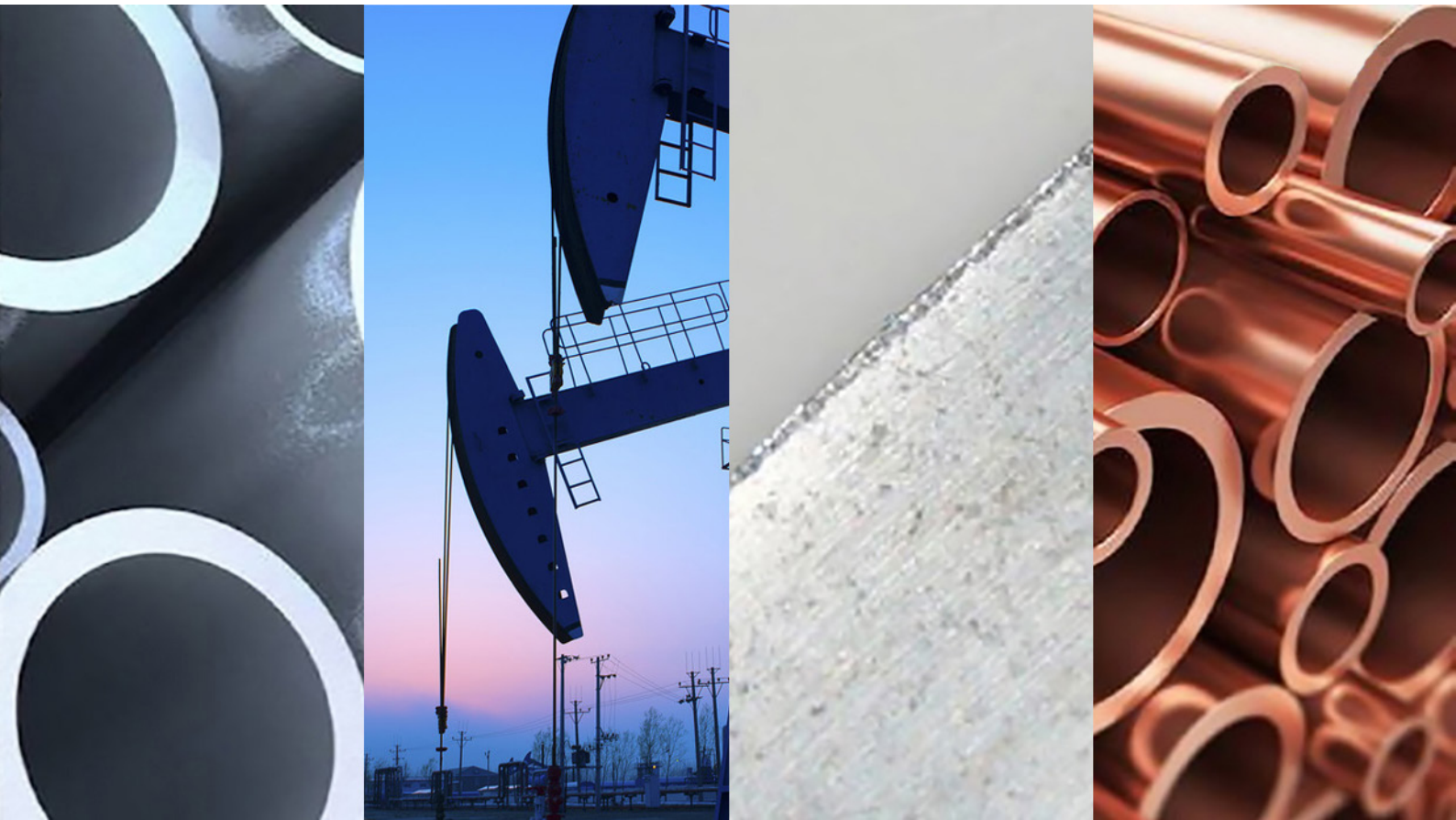


Sequoia Commodities Series 21



Diversified Commodities Index 8 December 2023 Offer Close Date¹

Sequoia Commodities Series 21 offers investors access to a diversified commodities index with minimal upfront capital and limited downside risk

¹The Issuer may, in its discretion, extend or shorten the Offer Period for the Units without prior notice. If this happens, the Commencement Date and one or more consequential dates for the Units may vary.

Sequoia Commodities Series 21

Sequoia Commodities Series 21 (“**Series 21**”) is a structured investment whereby:

- investors obtain 100% leveraged exposure to any positive performance of a diversified commodities index (“**the Reference Asset or Index**”) over a 1.5 year period; and
- the potential to receive an uncapped Performance Coupon at Maturity dependent on the Index Performance applied to the full leveraged Investment Amount, adjusted for changes in the AUD/USD exchange rate during the Investment Term.

An Investment in Sequoia Commodities Series 21 Units may suit you if:

- You have a positive view of the Reference Asset over the 1.5 year Investment Term;
- You wish to obtain 100% leverage with no risk of margin calls
- You wish to obtain leverage via a limited recourse loan within your investment portfolio or SMSF.

Summary of the key features are as follows:

Commodities Series 21	
Reference Asset / Index	BNP Paribas Strategy C52 10% Index (Bloomberg Ticker: BNPIC52V Index)
Potential Performance Coupon	Yes, there is potential for an uncapped Performance Coupon payable at Maturity based on the Index Performance applied to the full leveraged Investment Amount, adjusted for any changes in the AUD/USD exchange rate during the Investment Term
Performance Cap	No, there is no limit on the maximum potential Performance Coupon that can be paid at Maturity
Currency Exposure	Yes, the investor is exposed to changes in the AUD/USD exchange rate during the Investment Term when calculating any Performance Coupon payable at Maturity
Limited recourse Loan	Yes. Investors borrow 100% of the Investment Amount on a limited recourse basis.
Investment Term	1.5 years
Annual Interest Rate on Loan	5.9% p.a. payable upfront for the full 1.5 year investment term.
Application Fee	1.1% including GST
Total Investment Cost	9.95% (payable upfront)
Minimum Amount Payable (excluding any Upfront Adviser Fee)	\$9,950 for a \$100,000 Loan and 100,000 Units
Break-Even Point	The Performance Coupon received at Maturity needs to be equal to or greater than the Break-Even Point of 9.95% in order for investors to at least break-even (excluding any Upfront Adviser fee and any external costs). Refer to section 5 for more information.
Maximum Loss	Due to the limited recourse nature of the Loan the maximum loss that can be ever incurred is the Total Investment Cost plus any Upfront Adviser Fee. There is no additional risk of loss in relation to the Loan Amount.
Margin Calls	No
SMSF Eligibility	Yes

BNP Paribas Strategy C52 10% Index

Series 21 tracks the performance of the BNP Paribas Strategy C52 10% Index (“**Index**”). The objective of this Index is to provide a long only, diversified exposure to the commodity asset class, excluding Agriculture and Livestock, with a targeted volatility of 10%.

Index Features

The key features of Index are outlined below:

Diversification

The Index provides diversification across 3 commodity sectors and Natural Gas;

- Industrial Metals Sector;
- Precious Metals Sector;
- Energy Sector; and
- Natural Gas,

including exposure across 14 individual commodities and cash:

1. Copper;
2. Zinc;
3. Aluminium;
4. Nickel;
5. Lead;
6. Gold;
7. Silver;
8. WTI Crude Oil;
9. Brent Crude Oil;
10. Gasoline;
11. Low Sulphur Gas Oil;
12. ULS Diesel;
13. Natural Gas; and
14. Cash.

The Index provides the above exposures via futures contracts linked to the relevant underlying commodities, rather than any form of direct exposure to the relevant underlying commodity. Please refer to the PDS for more information on the commodity futures.

Examples of Total Investment Cost

Assuming you wish to get exposure to BNP Paribas Strategy C52 10% Index with minimal upfront capital and limited downside risk, you decide to take out a limited recourse loan and invest the proceeds into Sequoia Commodities Series 21. A few examples of the Total Investment Cost payable depending on the size of the Loan and Investment Amount are outlined below.

	Example 1	Example 2	Example 3
Investment Amount	\$100,000	\$500,000	\$1,000,000
Loan	(\$100,000)	(\$500,00)	(\$1,000,000)
Prepaid Interest for 1.5 year Investment Term @ 5.9% p.a.	(\$8,850)	(\$44,250)	(\$88,500)
Application Fee including GST (1.1%)	(\$1,100)	(\$5,500)	(\$11,000)
Total Investment Cost*	(\$9,950)	(\$49,750)	(\$99,500)

*This excludes any Upfront Adviser Fee

Hypothetical Examples in relation to the potential Performance Coupon at Maturity

In the example below we look at various potential hypothetical scenarios in relation to the Series Performance, Performance Coupon and Profit or Loss at Maturity. Please note that these are theoretical scenarios only and are provided for illustrative purposes only and are not intended to be a forecast. They do not indicate past performance and are not an indication or guarantee that similar returns will be achieved in the future. If we assume a \$100,000 Loan Amount and Investment Amount, the hypothetical cash flows will be as follows:

Scenario 1	Investment Amount	Total Investment Cost	Series Performance at Maturity*	Performance Coupon at Maturity	Profit or Loss**
1	\$100,000	\$9,950	-50%	\$0	(\$9,950)
2	\$100,000	\$9,950	-5%	\$0	(\$9,950)
3	\$100,000	\$9,950	5%	\$5,000	(\$4,950)
4 Breakeven	\$100,000	\$9,950	9.95%	\$9,950	\$0
5	\$100,000	\$9,950	15%	\$15,000	\$5,050
6	\$100,000	\$9,950	20%	\$20,000	\$10,050
7	\$100,000	\$9,950	25%	\$25,000	\$15,050
8	\$100,000	\$9,950	30%	\$30,000	\$20,050
9	\$100,000	\$9,950	35%	\$35,000	\$25,050
10	\$100,000	\$9,950	40%	\$40,000	\$30,050

*Series Performance = Index Performance x $FX^{initial}$ x FX^{final}

**Excludes any Upfront Adviser Fee, tax, and any other external costs paid by the Investor in connection with investing in Units

Key Risks

Key risks include:

- Risk of 100% loss in relation to the Total Investment Cost and Upfront Adviser Fee. The Total Investment Cost equals the Prepaid Interest in relation to the Loan and the Application Fee. Investors may also incur an Upfront Adviser Fee in addition. A 100% loss will occur if there is no Performance Coupon paid at Maturity. This will be the case if the Index Performance is negative at Maturity and in such circumstances no Performance Coupon is paid;
- Risk of partial loss (i.e. less than 100% loss) in relation to the Total Investment Cost and Upfront Adviser Fee. The Total Investment Cost equals the Prepaid Interest in relation to the Loan and the Application Fee. Investors may also incur an Upfront Adviser Fee in addition. Investors may incur a partial loss if the Performance Coupon at Maturity is positive but less than the Break-Even Point;
- Timing risks. The timing risk associated with Series 21 is significant. This is because the Investment Term is fixed and the Series Performance is required to at least generate some positive performance over and above the Break-Even Point by the time the Maturity Date arrives in order for the investor to generate a profit from their investment (ignoring any Upfront Adviser Fee and any external costs). If this does not occur then Investors will generate a loss;
- The potential Performance Coupon is determined by reference to the Series Performance. The Series Performance is determined by reference to the Index Performance as well as changes in the AUD/USD exchange rate. An increase in the AUD/USD exchange rate between the Commencement Date and the Maturity Date will reduce the Performance Coupon whilst a decrease in the AUD/USD rate between the relevant dates will lead to an increase in the Performance Coupon. As such, whether or not you break-even depends on both the Index Performance and the AUD/USD exchange rate performance during the Investment Term;

- Volatility and exposure risk – the volatility control mechanism used by the Index means that if there is high volatility in commodities markets during the Investment Term there is a risk the Index will have little to no exposure to commodities during some or all of the Investment Term. To the extent the Index has an exposure primarily to cash as a result of the volatility control mechanism, the Index will be unlikely to have Index Performance greater than the Break-Even Point;
- There is no guarantee that the Units will generate returns in excess of the Prepaid Interest and Fees, during the Investment Term;
- Additionally, in the event of an Investor requested Issuer Buy-Back or Early Maturity Event, you will not receive a refund of your Prepaid Interest or Fees. The amount received will depend on the market value of the Units which will be determined by many factors before the Maturity Date including prevailing interest rates in Australia and internationally, foreign exchange rates, the remaining time to Maturity, and general market risks and movements. Investors should be aware the Units are designed to be held to Maturity and are not designed to be a trading instrument;
- Gains (and losses) may be magnified by the use of a 100% Loan. However, note that the Loan is a limited recourse Loan, so you can never lose more than your Prepaid Interest Amount and Fees paid at Commencement.
- Investors are subject to counterparty credit risk with respect to the Issuer and the Hedge Counterparty; and
- The Units may mature early following an Early Maturity Event, including an Adjustment Event, Market Disruption Event or if the Issuer accepts your request for an Issuer Buy-Back.

Please refer to Section 2 “Risks” of the Master PDS for more information.

To find out more and to download a copy of the relevant Product Disclosure Statements and Target Market Determination, please visit Sequoia Specialist Investments at www.sequoiasi.com.au

**The Issuer may, in its discretion, extend or shorten the Offer Period for the Units without prior notice. If this happens, the Commencement Date and one or more consequential dates for the Units may vary. The Issuer may also defer the Commencement Date for the Units, in which case the Maturity Dates and other consequential dates for the Units may vary. If the Issuer varies the Offer Period or the Commencement Date for the Units it will post a notice on the website informing applicants of the change at www.sequoia.com.au*

Units in Sequoia Commodities Series 21 are issued by Sequoia Specialist Investments Pty Ltd (ACN 145 459 936) (the “Issuer”) and arranged by Sequoia Asset Management Pty Ltd (ACN 135 907 550, AFSL 341506) (the “Arranger”). Investments in the Sequoia Commodities Series 21 Units can only be made by completing an Application Form attached to the Term Sheet Product Disclosure Statement (“Term Sheet PDS”), after reading the Term Sheet PDS dated 30 October 2023 and the Master PDS dated 14 August 2017 and submitting it to Sequoia. A copy of the Term Sheet PDS and Master PDS can be obtained by contacting Sequoia Asset Management on 02 8114 2222 or contacting your financial adviser. You should consider the Term Sheet & Master PDS’ before deciding whether to invest in Units in Sequoia Commodities Series 21. Capitalised terms on the webpage have the meaning given to them in Section 10 “Definitions” of the Master PDS.

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