



Certificate by a Qualified Accountant - Sophisticated Investor and Wholesale Client

I am a Qualified Accountant as defined in section 88B of the Corporations Act. I certify:

- (a) that I am a member of the CPA Australia Limited who is entitled to use the post-nominals 'CPA' or 'FCPA' and is subject to and complies with the society's continuing professional education requirements; or
- (b) that I am a member of the Chartered Accountants Australia and New Zealand Limited who is entitled to use the post-nominals 'ACA', 'CA' or 'FCA', and is subject to and complies with the institute's continuing professional education requirements; or
- (c) that I am a member of the Institute of Public Accountants who is entitled to use the post-nominals 'AIPA', 'MIPA' or 'FIPA' and is subject to and complies with the institute's continuing professional education requirements; or
- (d) that I am a member of an eligible foreign professional body (see requirements below).

REQUIRED: My membership number from this professional body is:

In accordance with Section 708(8)(c) and Section 761G(7)(c) of the Corporations Act I hereby certify that: Name of

Individuals or Company:

Whose address is:

(cannot be PO Box)

- (a) has net assets of at least \$2.5 million; or
- (b) earned gross income for each of the last two (2) financial years of at least \$250,000 a year, including the net assets or gross income of any companies controlled by the client. In accordance with Section 50AA of the Corporations Act, a client controls a company where the client has the capacity to determine the outcome of decisions about the company's financial and operating policies.

Where I have named more than one Individual or Company I certify that each meets the necessary criteria. I also certify that the following companies or trusts are controlled by the above named Sophisticated Investor(s) and therefore may also be treated as a Sophisticated Investor in accordance with the Corporations Act:

Name of Trusts or Companies

Accountant Details

Accountant Signature

Name of Firm

Name of Accountant

Business Address (cannot be PO BOX)

Date

Accountant Email

Phone Number

^ Details must match those provided to your professional body

You will satisfy the criteria for a qualified accountant if you are a member of one of the eligible foreign professional bodies listed below and you:

- have at least three years' practical experience in accounting or auditing, and
- are only providing a certificate for the purpose of s708(8)(c) and 761G(7)(c) to a person who is a resident in the same country (other than Australia) as yourself

Eligible foreign professional bodies are:

- The American Institute of Certified Public Accountants;
- Association of Certified Chartered Accountants (United Kingdom);
- Canadian Institute of Chartered Accountants;
- Institute of Chartered Accountants of New Zealand;
- The Institute of Chartered Accountants in England and Wales;
- The Institute of Chartered Accountants in Ireland; and
- The Institute of Chartered Accountants of Scotland

Submit completed certificate to admin@jpequity.com.au



708(8) Sophisticated Certificate Guidelines

Income & Assets Test

Only the gross income or net assets of the person to whom a sophisticated investor certificate relates may be included in the calculation under the certificate.

For the purposes of offers of debt or equities, this can include the value of their shares held in a company. Or dividends they receive from the company for the purposes of gross income.

Wholesale Clients requirements:

- Net assets of at least \$2,500,000, including the net assets of a company or trust controlled by the investor; or
- A gross income for each of the last 2 financial years of at least \$250,000, including the gross incomes of a company or trust controlled by the investor

NOTE: The attributable share of superannuation income and assets may be included if you can reliably identify and value their current entitlement under the fund.

Individual Accounts: *a certificate is required in the name of the individual*

In determining the net assets or gross income of a person the net assets or gross income of a company or trust controlled by that person can be included. *

If a person is eligible to be a wholesale client, then a company or trust **controlled** by that person is also a wholesale client even if they do not otherwise qualify. *

*Control is defined as the capacity of one entity to determine the outcome of decisions about another entity's financial and operating policies.

Joint Accounts

Account holder must EACH have a certificate certifying that they meet the 708 requirements.

Company Accounts

The certificate should be:

- Where the company does not meet the large company test i.e. having more than 20 employees – or more than 100 employees if the business is or includes the manufacture of goods than the company must meet the test via the control test i.e. the individuals who control the company can meet the income or asset test and the certificate should note the following:
- Be in the name of the Corporation and should clearly state that the individual or all individual controllers of the company meet the income or asset test and the person / persons control the entity.
- Have a 708 certificate in the individual's name with the companies/trusts which the individual controls below.
- It is possible that more than one person or entity may meet the legal meaning of control in relation to an entity over time. Therefore, if we receive a certificate where the company has more than one director, it is important that the certificate states/confirms that the individual named is the 'controller' of the named company/trust.

Superannuation Funds

Where an SMSF has individual trustees, those individuals are the joint legal owners of the SMSF's assets. The certificate should be in the name of the SMSF Trustees (not in the name of the Trust /Fund - the trust itself is not a legal entity).

For further details, refer ASIC's website: asic.gov.au

In the case of a SMSF corporate trustee, the certificate should be in the name of the company (not in the name of the Trust / Fund).

The control test would take place on the Company, ensuring that the individual who control the Company have met the requirements.

Trustee of a Discretionary Trust

In the case of individual trustees, EACH Trustee (investor) must meet 708 requirements separately the certificate should be in the name of the Trustee (not in the name of the Trust / Fund), **OR** a certificate in the name of an individual where the individual controls the Trust.

In the case of a Corporate trustee, the certificate should be in the name of the Company (not the name of the Trust/Fund).