

Australia China Investment Fund

Information Memorandum



Trustee:
Vasco Investment Managers Limited
ABN 71 138 715 009 AFSL 344486

Investment Manager:
Australia China Investment Fund Limited
ACN 607 032 655

INFORMATION MEMORANDUM

This Memorandum is being issued by the Trustee to establish the interest of prospective investors in making an investment in the Fund.

The information contained in this Memorandum is selective and is for illustrative purposes only and is provided only for gaining a general understanding of the proposed offer to invest in the Fund. The Trustee disclaims, to the extent permitted by law, all liability in reliance on this Memorandum.

Distribution of the Memorandum to any person other than the person receiving this copy from the Trustee is unauthorised. Any photocopying, disclosure or alteration of the contents of the Memorandum, and any forwarding of this copy of the Memorandum or any portion thereof by electronic mail or any other means to any person other than the person receiving this copy from the foregoing persons is prohibited. By receiving and viewing this Memorandum, the recipient is warranting that they are legally entitled to do so, the securities laws of their relevant jurisdiction do not prohibit them from acquiring interests in the Fund and they are a wholesale client as defined in section 761G of the Corporations Act.

The primary language of this document is English. This document may be translated into different languages. Any translations provided are for reference purposes only. If there is any inconsistency or conflict between the English version of this Information Memorandum and versions of this Information Memorandum in any other language, the English version prevails.

All references to \$ amounts are references to Australian Dollars.

Vasco Investment Managers Limited, the Trustee, and Australia China Investment Fund Limited, the Investment Manager, are unrelated companies.

The information in this Memorandum can change, and may be updated or replaced from time to time. Unless the changed information is materially adverse, the Trustee may not always update or replace this Memorandum to reflect the changed information. Updated information can be obtained by contacting the Trustee or your adviser. You should check if there is any updating information before you invest.

IMPORTANT NOTICE

This Memorandum is provided by the Trustee, Vasco Investment Managers Limited in strict confidence, solely to provide certain information about the Fund to a limited number of prospective investors. By accepting this Memorandum, the recipient agrees to be bound by the following terms and conditions.

Confidentiality

Neither this Memorandum nor any other information provided by the Trustee may be disclosed to any other party, except for the purpose of obtaining independent advice in connection with the consideration of an investment in the Fund, or used for any purpose other than the consideration of an investment in the Fund, unless the express prior written consent of the Trustee is obtained. Any reproduction of all or part of this Memorandum is strictly prohibited without the written consent of the Trustee. In the event that the recipient does not participate in the Fund, this Memorandum, along with all related materials, must be returned to the Trustee immediately upon demand.

Restrictions on Distribution

This Memorandum has been prepared on the basis that prospective investors in the Fund are wholesale clients, as defined in the Corporations Act. Accordingly, this Memorandum is not a product disclosure statement and does not contain all of the information that would be included in a product disclosure statement issued under the Corporations Act.

This Memorandum does not constitute, and may not be used for the purposes of an offer of units or an invitation to apply to participate in the Fund by any person in any jurisdiction in which such offer or invitation is not authorised or in which the person endeavoring to make such offer or invitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or invitation.

No action has been taken to register or qualify interests in the Fund, or the invitation to participate in the Fund, or to otherwise permit any public offering of Fund interests in any jurisdiction.

It is the responsibility of prospective investors to satisfy themselves as to full compliance with the relevant laws and regulations of any territory in connection with any application to participate in the Fund, including obtaining any requisite governmental or other consent and adhering to any other formality prescribed in such territory.

By receiving and viewing this Memorandum the recipient is warranting that they are legally entitled to do so, the securities laws of their relevant jurisdiction do not prohibit them from acquiring interests in the Fund and they are a wholesale client as defined in section 761G of the Corporations Act.

Summary of Key Documents Only

This Memorandum contains a summary of the terms of the Fund and certain other documents. However, prospective investors should refer to the complete legal documentation for the Fund. Investments in the Fund are governed by the Trust Deed for the Fund and associated documents and nothing in this Memorandum limits or qualifies the powers and discretions conferred upon the Trustee and the Investment Manager under those documents. This Memorandum should be read in conjunction with the Trust Deed and associated documents for the Fund. In the event of any inconsistency between the Trust Deed and associated documents and this Memorandum, then the Trust Deed and associated documents will prevail to the extent of the inconsistency.

No Tax or Investment Advice Provided

Prospective investors should not construe the contents of this Memorandum as tax or investment advice.

This Memorandum does not purport to be complete, accurate or contain all information which its recipients may require to make an informed assessment of whether to invest in the Fund.

Any advice given by the Trustee in connection with the Fund or in this Memorandum is general advice only. This Memorandum does not take into account the objectives, circumstances (including financial situation) or needs of any particular person. Before acting on the information contained in this Memorandum, or making a decision to invest in the Fund, prospective investors should make their own enquiries and seek professional advice as to whether investment in the Fund is appropriate in light of their own circumstances.

To the maximum extent permitted by law, the Trustee and Investment Manager and their directors, officers, employees, advisers or consultants and their associated companies, businesses, partners, directors, officers or employees (together, the “Trustee and/or their Advisers”) do not accept any liability or responsibility for any loss or damage (however caused including without limitation for negligence) arising from reliance placed on the information contained in this Memorandum.

No representation other than this Memorandum

Except where expressly disclosed, the information contained in the Memorandum has not been independently verified or audited. To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Trustee or Investment Manager and/or their Advisers as to the accuracy or completeness of any part of this Memorandum, nor will they have any responsibility to update or supplement this Memorandum.

No person is authorised to give any information or to make any representation in connection with the offer of units in the Fund described in this Memorandum, which is not in this Memorandum. This Memorandum supersedes any prior Memorandum or marketing materials given prior to the issue of the Memorandum to the extent of any inconsistency. Any information or representation in relation to the offer of units in the Fund described in this Memorandum not contained in this Memorandum may not be relied upon as having been authorised by the Trustee and/or their Advisers.

No Guarantee of Performance or Representations Made

Neither the Trustee, the Investment Manager nor any other person or entity guarantees any income or capital return from the Fund. There can be no assurance that the Fund will achieve results that are comparable to the track record of the Investment Manager and/or their Advisers or that the Fund’s investment objectives will be achieved.

Certain of the information contained in this Memorandum has been obtained from published sources prepared by other parties. Neither the Trustee, the Investment Manager nor any other person assumes any responsibility for the accuracy or completeness of such information. Except as specifically provided in the Memorandum and associated documents, no representation made or information given in connection with or relevant to an investment in the Fund may be relied upon as having been made or given with the authority of the Trustee and no responsibility is accepted by the Trustee and/or their Advisers or any other person in respect thereof.

All statements of opinion and/or belief contained in the Memorandum and all views expressed and all projections, forecasts or statements relating to expectations regarding future events or

the possible future performance of the Fund represent the Trustee's own assessment and interpretation of information available to it as at the date of this Memorandum and are provided for illustrative purposes only. No representation is made or assurance given that such statements, views, projections or forecasts are correct or that the objectives of the Fund will be achieved. Prospective investors must determine for themselves what reliance (if any) they should place on such statements, views, projections or forecasts and no responsibility is accepted by the Trustee and/or their Advisers in respect thereof. Prospective investors are strongly advised to conduct their own due diligence including, without limitation, the legal and tax consequences to them of investing in the Fund.

Certain information contained in this Memorandum constitutes "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology. Furthermore, any projections or other estimates in this Memorandum, including estimates of returns or performance, are "forward-looking statements" and are based upon certain assumptions that may change. Due to various risks and uncertainties, including those set forth under "Risk Factors," actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. Moreover, actual events are difficult to project and often depend upon factors that are beyond the control of the Trustee and/or their Advisers.

The attention of prospective investors is specifically drawn to the risk factors associated with investing in the Fund set out in Section 8.

The Fund is intended to be a 'complying investment' for the purposes of regulation 5.19B (2) (c) of the Migration Regulations 1994 (*Cth*). If an applicant is applying to become a Significant Investor Visa holder, then it is the responsibility of that applicant (and none of the Trustee, the Investment Manager, or their related parties, officers, employees, consultants, advisers or agents) to ensure that the applicant meets all of his or her obligations and requirements relating to his or her application for, and grant of, a temporary or permanent Significant Investor Visa.

An investment in the Fund does not entitle the investor to a Significant Investor Visa, and none of the Trustee, the Investment Manager, or their related parties, officers, employees, consultants, advisers or agents makes any representation, warranty or guarantee that a successful application for investment in the Fund will lead to an investor obtaining a Significant Investor Visa, and accepts no liability whatsoever for any loss or damage arising from the applicant relying on an investment in the Fund as providing the applicant with a Significant Investor Visa.

Date

This Memorandum is current as at 18 October 2016. Neither the delivery of this Memorandum at any time nor any sale hereunder shall under any circumstances create an implication that the information contained herein is correct as of any time after that date. The Trustee reserves the right to modify any of the terms of issue of units in the Fund described herein. The Trustee has no obligation to update the contents of this Memorandum.

Any questions regarding this Memorandum should be directed to Australia China Investment Fund Limited on 1300 008 882 or Vasco Investment Managers Limited at Level 5, 488 Bourke Street, Melbourne, Victoria, 3000, Australia or +613 8352 7120.

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DEFINITIONS

“Administration Manager”	Vasco Investment Managers Limited, ABN 71 138 715 009, AFSL 344486
“Application Amount”	The Application Amount is the amount invested by the Investor.
“ASIC”	The Australian Securities and Investments Commission
"AFSL "	Australian Financial Services Licence
“Australia China Investment Fund Limited”	Australia China Investment Fund Limited, being the Investment Manager of the Fund, a corporate authorised representative of AFSL No.353001
"Corporations Act"	<i>Corporations Act 2001</i> (Cth)
“Fund”	Australia China Investment Fund , which is a unit trust scheme established on 21 August 2015 under the laws of the Commonwealth of Australia
“Fund Agreements”	The Trust Deed and associated documents, whose provisions govern the Fund and set out the rights of unitholders and powers and duties of the Trustee, amongst other matters
“Investee”	A company or other entity in which the Fund makes, or is proposing to make, an investment in
“Investment Manager”	Australia China Investment Fund Limited (ACN 607 032 655)
“Investments”	Assets or Projects in which the Fund makes an investment
“Investors”	The investors in the Fund
“Memorandum”	This private placement memorandum issued to provide certain information about the Fund to potential Fund Investors in connection with their consideration of an investment in the Fund
“Offer”	The offer to subscribe for units in the Fund as set out in this Memorandum
“Project”	A project in which the Fund makes a direct investment
“Transaction”	A transaction for an investment or divestment by the Fund
"Trust Deed"	The constitution for the Fund dated 21 August 2015, as amended from time to time.
“Trustee”	Vasco Investment Managers Limited
“Vasco”	Vasco Investment Managers Limited (ABN 71 138 715 009), AFSL 344486 being the Trustee and Administration Manager of the Fund.

KEY TERMS

The following information is only a summary of certain key terms of the Fund and is qualified in its entirety by reference to the more detailed Section 7 (Summary of Major Terms) and to the Fund Agreements.

Fund name	Australia China Investment Fund
Trustee	Vasco Investment Managers Limited
Investment Manager	Australia China Investment Fund Limited
Administration Manager	Vasco Investment Managers Limited
Structure	The Fund is an unregistered unit trust established by the Trustee pursuant to the Trust Deed and is governed by Australian law
Investment objective	To generate an attractive income return through providing loans to residential and commercial property developers and through direct property Project interests.
Key Investment guidelines	<p>Investments are to be SIV compliant investments as the rules were in existence on 30 June 2015. Investments will be predominantly in the real estate sector.</p> <p>Investments may be in the form of any of the following (or a combination of them):</p> <ul style="list-style-type: none"> • Direct real estate investments; • Direct property Project interests; • Interests in listed and unlisted real estate funds and; • Fixed income investments and cash deposits.
Target Fund size	Approximately AUD 50 million (however, the Trustee may determine that the Fund size should be a lesser or greater amount, in its absolute discretion)
Target return	The target return of the Fund is 7.5 % per annum (after Fund fees and expenses).
No Guarantee	There is no guarantee that any such return will be achieved.
Performance Fee	The Investment Manager is entitled to a Performance Fee of any net return in excess of 7.5% per annum after payment of all Fund expenses and after any previous under - performance has been recovered. It is expected that ordinarily the Performance Fee is likely to vary between zero and 2% p.a. Returns from year-to-year

	may vary from the 7.5% per annum target net return. The Performance Fee is payable on a quarterly basis.
Distributions	Distributions of income (if any) are expected be paid within 14 days of the end of each quarter. Whilst the target net return is 7.5% per annum over the term of the Fund, returns may vary from year to year. Distributions will be calculated on a cents per unit day basis.
Gearing	The Fund will not have any borrowings
Liquidity	The Fund is not expected to be liquid and the Trustee does not anticipate permitting withdrawals prior to the expiration of 4 years from the date of each Investors investment. If the Fund has insufficient liquidity from the sale of investments at this time redemptions may be deferred until the termination of the Fund following the expiration of the Term of the Fund (being 5, 6 or 7 years).
Minimum Investment	AUD 1,000,000. The Trustee has the discretion to accept smaller amounts.
Fund Currency	Australian Dollars (AUD)
Term	The Fund has an initial term of 6 years from the Final Close date (described below), subject to extension by the Trustee as described in section 7 of this Memorandum ¹ . Investors may only request a withdrawal of their investment after expiry of the minimum investment term of 4 years. Investors have no right to withdraw from the Fund prior to this date. We expect that, subject to available liquidity, to meet withdrawal requests within 120 days of receipt of a valid withdrawal request. The liquidity of the Fund is subject to the realisation of investments held by the Fund.
Investment period	Within 3 months of receipt of Investor's application monies during which the Trustee will make investments in accordance with the objectives, strategy and processes for the Fund, as described in this Memorandum
Investment Management fees	<p>The Investment Manager is entitled to an investment management fee of 1.0 % (plus GST) per annum of the gross asset value of the Fund, calculated and paid monthly in arrears out of the assets of the Fund.</p> <p>Where in any quarter the return to Investors is less than 7.5% p.a. the Investment Manager will waive in whole or part its investment management fee for the following quarter, so as to make up some or the entire shortfall in return to Investors in the previous quarter.</p>

¹ Maximum term anticipated to be 7 years from the final close date

	The Investment Manager is also entitled to an annual Performance Fee equivalent to any distributable income or capital gains after unitholders have received a return of 7.5% per annum (after all fees and expenses) and any previous under-performance has been recovered.
Trustee fee	The Trustee will be paid a fee of 0.1% (plus GST) per annum of the gross asset value of the Fund, paid monthly in arrears (subject to a minimum annual fee of \$25,000 (plus GST)) out of the assets of the Fund
Administration fee	The Trustee is also to receive a fee of up to \$25,000 (plus GST) per annum for undertaking the administration of the Fund, including processing of applications, fund registry, fund accounting and attending to the lodgement of regulatory returns. This fee commences at \$15,000 (plus GST) per annum and is subject to increases based upon the total assets of the Fund and number of Investors in the Fund up to \$25,000 (plus GST) per annum. This fee is subject to an annual increase in line with increases in the Consumer Price Index.

1. EXECUTIVE SUMMARY

OVERVIEW

The Fund has been established to allow Investors the opportunity to participate in an investment vehicle that will invest in a portfolio of active real estate related investments in the Australian market. The Fund currently has gross assets in excess of \$20 million. The Trustee has appointed the Investment Manager for the purposes of marketing the Fund to investors and managing the investments of the Fund with a view to achieving returns for Investors by investing in carefully selected high quality real estate Projects and other real estate related investments. Australia China Investment Fund Limited brings extensive expertise to the management of the Fund.

KEY FEATURES OF THE FUND

The Fund offers Investors:

- i) an investment and a management team with a proven track record in financing, real estate investment management and funds management;
- ii) an opportunity to invest (indirectly) in real estate investment opportunities that may not otherwise be publicly available; and
- iii) a strategy to invest in real estate projects with significant growth potential as well as other real estate related opportunities such as the provision of loan funds.

STRUCTURE OF THE FUND

The Fund structure is as follows (also see Section 3):

- i) The Fund is a unit trust established under, and governed by, Australian law.
- ii) The Fund will be operated as a closed-end vehicle with an initial 5 year term.
- iii) a fund structure that is compliant with Australian SIV requirements (as these requirements were in existence at 30 June 2015)
- iv) The trustee of the Fund is Vasco Investment Managers Limited, an Australian company limited by shares. Vasco Investment Managers Limited is the holder of an AFSL and is regulated by ASIC. Vasco is an experienced trustee and manager of real estate funds.
- v) The Trustee has appointed the investment manager of the Fund, Australia China Investment Fund Limited, an experienced manager of real estate investments.

INVESTMENT OBJECTIVE AND STRATEGY

The target rate of return for the Fund is 7.5% per annum (after Fund fees and expenses).

Returns will be generated via making loans to commercial and residential property developers.

The Investment Manager has extensive real estate industry experience and has developed a network of contacts in the real estate industry through which the Investment Manager expects to be able to access Investment opportunities that are suitable for the Fund.

Fund investments are expected to be diversified (within the real estate sector) and may take the form of:

- Direct equity investments into real property;
- Strategic investments in real estate Projects (which may include other real estate investment trusts and earn-ins to joint ventures); and
- Mezzanine or other debt instruments secured by mortgages over real estate and where possible borrower guarantees.

Investments may be made into real estate developments, or into existing properties that may require capital expenditure.

The Fund's long term target is to achieve a level of diversification such that no individual investment (at the time of the investment) will exceed 50% of the Fund's total value. However, this level of diversification will not be achieved in the initial stages of operation of the Fund (and may never be achieved). The Investment Manager anticipates that this level of diversification may be achieved when there are more than \$20 million of assets in the Fund.

FUND INVESTMENT PROCESS

The investment process that will be adopted by the Investment Manager in assessing and making Investments for the Fund will involve the following phases:

1. Investment origination & evaluation
2. Approval of investment proposal
3. Deal execution

Australia China Investment Fund Limited is an active manager and as such, the performance and progress of all Investments will be closely monitored and managed post acquisition.

The Investment Manager will work closely with the managers of the properties or Projects to provide strategic input and assistance where required, with a view to growing the value of each property or Project Investment.

For a detailed explanation of the Fund investment process, please refer to Section 6.

2. THE INVESTMENT OPPORTUNITY

INTRODUCTION

Via the Fund, the Investment Manager seeks to offer Investors the opportunity to earn attractive returns through exposure to the real estate sector utilising the experience, investment expertise and global network of the Investment Manager.

A key benefit of an investment in the Fund is the access to the management team that have the skills and experience to capitalise on opportunities in the real estate sector. The team has:

- An extensive knowledge of real estate projects globally and the ability to critically assess and secure the best of these opportunities through creative and flexible deal structures; and
- A management team that consists of experienced professionals with a track record of delivering exceptional returns.

The current global economic expansion, particularly in Asia and other countries should provide significant interest amongst citizens of those countries in investment in the Australian real estate sector.

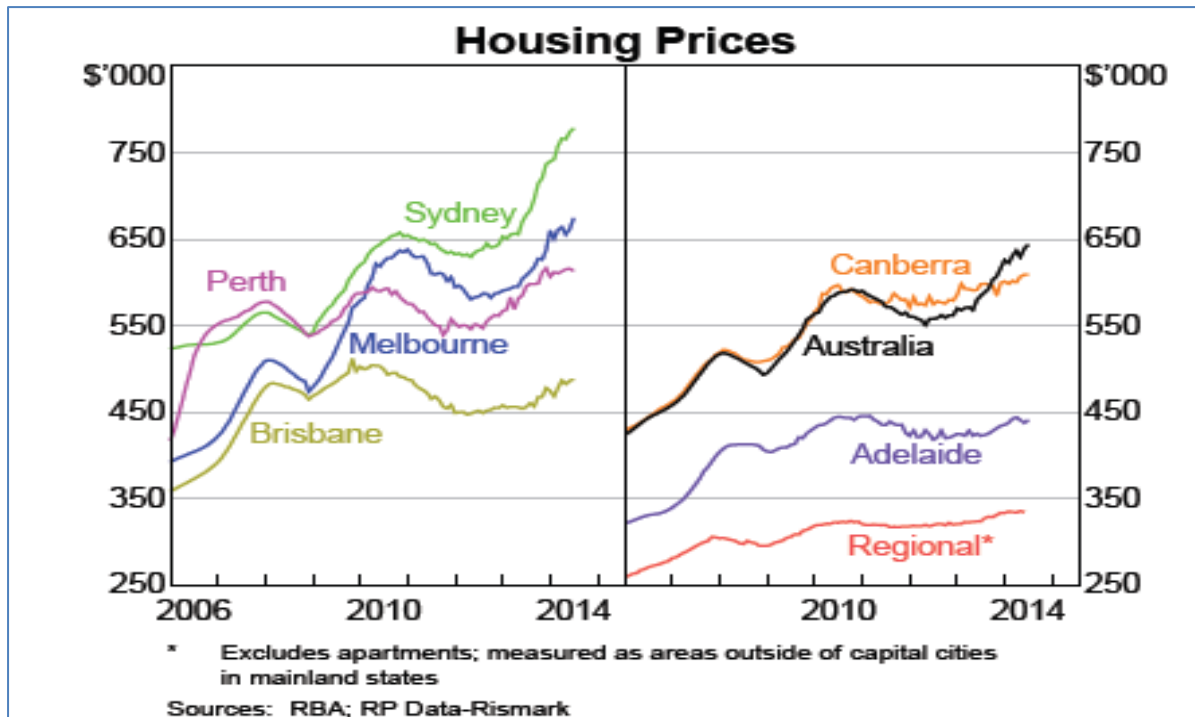
AUSTRALIAN REAL ESTATE MARKET

With a total area of 7.69 million square kilometres, Australia is the world's largest island. The continent makes up 3700 kilometres from north to south and 4000 kilometres from east to west. Australia is the world's sixth largest nation by area.

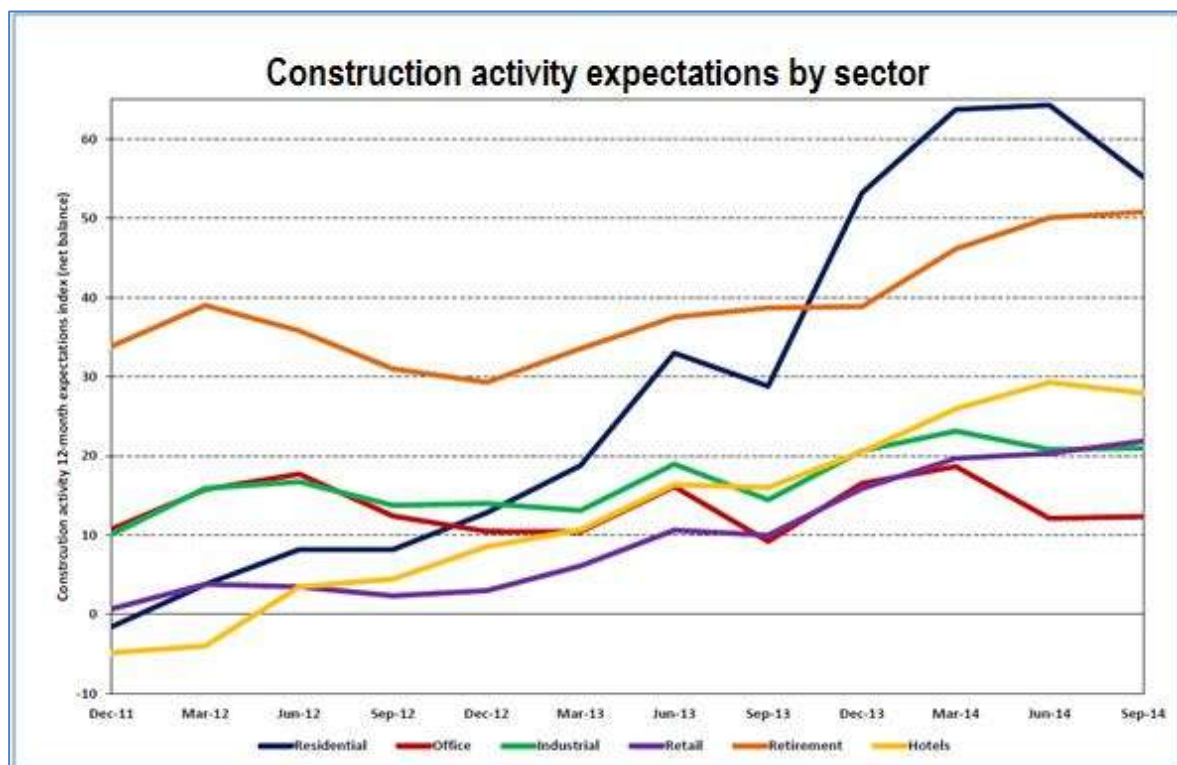
Despite its large land area Australia is one of the most urbanised countries in the world with most of the population living in cities. In a survey of the world's most liveable city, Australia has a total of 4 cities that sit in the top 10. Melbourne was ranked the world's most liveable city in 2014 with Adelaide in 5th place, followed by Sydney in 7th place and Perth in 9th place.

Australia's current population is 23.5 million with a current annual population growth rate of 1.8%.

With a strong economy and low interest rates and strong demand from international investors Australia's property market has been performing well in recent years.



Construction activity in Australia has also been solid with the residential sector particularly strong.



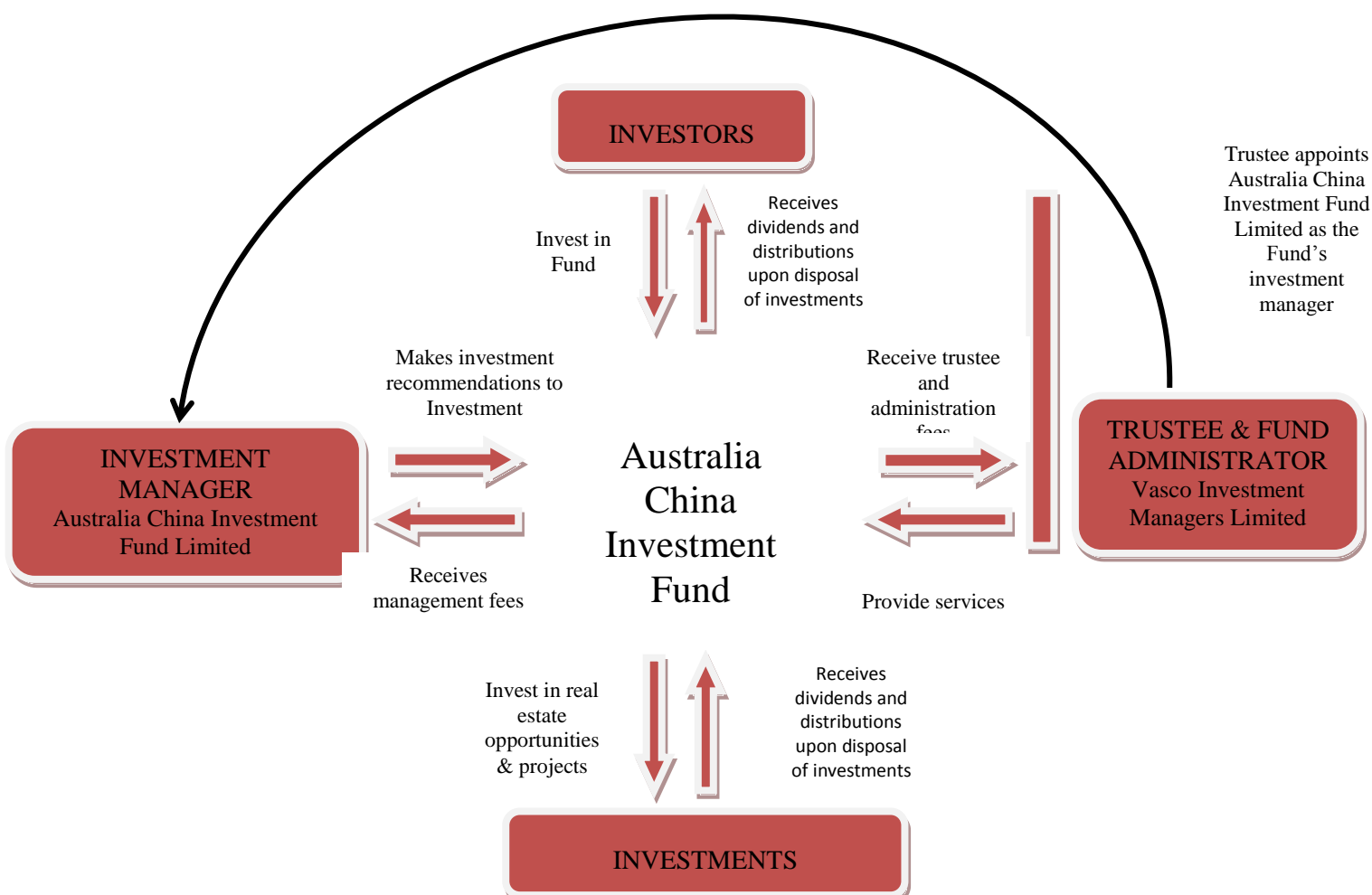
Source: www.propertyoz.com.au

3. STRUCTURE OF THE FUND

OVERVIEW

The Fund is an Australian unregistered unit trust.

The parties involved in the Fund can be represented as follows:



Investors will become unit holders in the Fund and will subscribe for units in the Fund in accordance with the terms of the Fund Agreements, which will set out the rights of unit holders and rules for the establishment and operation of the Fund.

The Fund will have an initial term of 5 years (from Final Close) with the Trustee having the right to extend the life of the Fund by up to a further two years, at the Trustee's discretion.

While the Trustee will consider redemption requests by Investors for specific reasons (for example, if a unit holder is no longer legally permitted to hold units in the Fund) on a case by case basis, Investors should note that the Trustee does not intend to allow redemptions of units during the initial term (of 5, 6 or 7 years) unless there is sufficient liquidity from the sale of investments in which case redemptions may be permitted provided that each investor

must have been invested in the Fund for a minimum period of 4 years before their redemption request will be accepted.

Investors will be entitled to transfer their units with the Trustee's consent, which will not be unreasonably withheld.

Investors should also note that their units may be the subject of mandatory redemption in certain circumstances described in the Trust Deed, including if the Trustee considers that the redemption of the units would be in the best interests of all of the Investors in the Fund.

Distributions will be made in accordance with the terms of the Trust Deed (as described in Section 7 Summary of Major Terms). The Fund expects to make quarterly distributions to Investors during the life of the Fund. The timing of distributions to Investors will depend upon the realisation of Fund investments and the financial position of the Fund. Distributions will be calculated and paid on a cents per unit day basis. In summary, distributions are intended to be made on a quarterly basis following the end of March, June, September and December each year, with the first distribution to be made following the December 2015 quarter. It is expected that distributions will be paid within 14 days of the end of the quarter.

The Fund will not have any borrowings.

GOVERNANCE STRUCTURE OF THE FUND

The trustee of the Fund is Vasco Investment Managers Limited. Vasco Investment Managers Limited is the holder of an AFSL (No. 344486). The Trustee is regulated by the Australian Securities & Investments Commission (ASIC).

The Trustee is responsible for the management of the Fund and has appointed Australia China Investment Fund Limited as Investment Manager. More information about the Trustee is set out in section 4.

Australia China Investment Fund Limited, as Investment Manager, is responsible for all investment management activities. More information about the Investment Manager is set out in section 4. Australia China Investment Fund Limited is a corporate authorised representative under AFSL No 353001.

Vasco Investment Managers Limited and Australia China Investment Fund Limited are unrelated companies.

4. MANAGEMENT OF THE FUND

THE TRUSTEE

Vasco Investment Managers Limited is part of an investment management group that provides responsible entity, trustee, fund administration and distribution services to Australian and international investment managers.

The Vasco team have significant experience in the Asia Pacific region in the management of equity funds, fixed income funds, REITs, private equity real estate funds, real estate securities funds, and mortgage and real estate debt funds.

Some of the funds Vasco's executives have developed include the \$1 billion million Australian Unity Healthcare Property Trust and the \$1billion AIMS AMP Capital Industrial REIT listed on the SGX.

The directors of Vasco were responsible for establishing the Australian Unity Funds Management Limited and MacarthurCook Limited real estate funds management businesses as well as establishing the Asian platform for industrial real estate manager, Goodman Group.

Clients of Vasco have included ChinaAMC China Opportunity Fund, Golden Age Development Group, D H Flinders Microcap Equity Fund, Infrastructure Partners Investment Fund, Vital Healthcare Property Fund, Residential Property Fund, EMR Capital Pty Ltd, Phillip Asset Management Limited and Morgan Stanley.

As trustee of the Fund, Vasco will manage the Fund in accordance with the Trust Deed and its duties and obligations under Australian law. Importantly, Vasco will have regard to the best interests of Investors in all decisions that it makes with respect to the Fund.

THE INVESTMENT MANAGER

The sponsor and the Investment Manager of the Fund is Australia China Investment Fund Limited.

Australia China Investment Fund Limited was formed to bring together a team with business and investment expertise and experience in both China and Australia for the benefit of Investors wanting to invest in Australia and take advantage of the Special Investment Visa program.

All board members are highly qualified and have considerable experience in a wide range of business and investment areas.

In addition the board has an extensive network of specialist advisers in the real estate and construction industries.

Directors of Australia China Investment Fund Limited include:

John Wang

John is the Managing Director of Australia China Investment Fund Limited and holds a Master of Laws from the University of Sydney and a Bachelor of Laws from Peking University.

John has over 28 years' experience in international investment, business and immigration services. With expertise in law and migration John identifies business opportunities for migration to Australia and assists overseas investors with their legal requirements.

John's past directorships include the Oliver Hume Australia Property Income Fund, which is managing a circa \$80 million fund in property developments.

James Forbes

James is a Director of Australia China Investment Fund Limited. He is also Group Managing Director of a large industrial company in Australia, a Director of a Sino-Australian joint venture company in China and of a specialised investment group that manages investment into Australian agriculture.

He has had extensive experience in the senior management of wide range of businesses in Australia and China, as well as over 20 years' experience in the management of investment funds in the Australian and China market places

Selena Xu

Selena is a Director of Australia China Investment Fund Limited. She holds a Masters of Business Administration from Nanyang Technology University of Singapore.

Selena has over 20 years' experience in stock exchange, investment banking and equity investment. She was a director and senior manager of Fountaininvest partners, Fortune Capital and Guangcai 49 Holding in China. Selena has extensive investment experience in real estate, equipment manufacturing, health care, consumer services, culture industry and modern agriculture.

Ian Mortley

Ian is a Director of Australia China Investment Fund Limited. Ian is qualified as a Chartered Accountant and holds a Masters of Business Administration and a Diploma of Financial Planning. He specialises in business planning and valuation and has considerable experience in residential property investment.

Ian is also the Company Secretary of Australia China Investment Fund Limited.

5. INVESTMENT STRATEGY

INVESTMENT OBJECTIVE

The target rate of return for the Fund is 7.5% per annum (after Fund fees and expenses). Returns will be generated through Investments in real estate, real estate Projects and secured loans on real estate projects or to be utilised for real estate projects.

INVESTMENT CRITERIA

The general investment criteria for the Fund will be as follows:

- *Investment size:* Individual investment outlays are expected to typically be in the range of A\$1 million to \$10 million.
- *Type of properties:* Investments in properties will be restricted to residential and commercial office property, investments in Projects that invest in residential and commercial office property or loans for real estate purposes. The Fund may also make secured loans to be used for property projects.
- *Stage of development:* Investments may be at a project development phase or require capital expenditure to enhance their value.
- *Concentration limit:* o individual investment (at the time of the investment) is expected to exceed \$20 million of the Fund's total value.
- *Location of investment:* The Fund will only invest in major metropolitan Australian cities with a minimum of 80% of the Fund's total capital to be invested in the Sydney, Melbourne, Brisbane, Perth and Adelaide markets.
- *Exit:* In general, the investment objective of the Fund will be to invest in properties/projects which will generate attractive returns and are attractive to potential purchasers.

TERM OF FUND

The Fund has an initial term of 5 years from Final Close. The Trustee may extend the life of the Fund to up to seven years if necessary to optimize returns. Upon termination of the Fund, the Trustee will commence winding up the Fund, including realizing the assets of the Fund. The Trustee may postpone the realization of assets of the Fund, if it considers it is in the best interests of Investors to do so.

FUND INVESTMENTS

The Trustee intends to invest the Fund exclusively in SIV qualifying investments such as the following types of investments:

- (a) real estate;
- (b) direct property Project interests;

- (c) loans secured by a mortgage over real estate and where possible borrower guarantees;
- (d) interests in listed and unlisted real estate funds; and
- (e) government bonds and bank deposits.

6. INVESTMENT PROCESS

OVERVIEW

The Investment Manager will implement a stringent, systematic and documented process for all Investment decisions – the process of which has been documented in a detailed investment policy.

The key steps in the investment process will be:

- Origination of investment opportunities sourced through the comprehensive networks, extensive industry knowledge and contacts;
- Evaluation of investment opportunities involving the consideration of material matters in relation to the opportunity, the investment strategy and criteria of the Fund and the construction of a detailed valuation and cash flow model;
- Development of indicative transaction terms which would be subject to due diligence and relevant Investment Manager board approvals;
- Detailed due diligence would be conducted for all material Investments, covering commercial, technical, tax and legal matters and using expert advisers as appropriate,
- Development of an investment proposal to be submitted to the Investment Committee setting out the reasons as to why the Trustee should proceed with the investment;
- To the extent to which there are potential conflicts, the Investment Committee will consult with the Trustee to seek approval for the investment to proceed;
- Execution of the Transaction; and
- After the Transaction the Investment Manager will wherever possible work closely with the management of the property or property Project to enhance the value of the Investment.

The Fund investment policy sets out the detailed process and procedures, in relation to such matters as accounting, taxation and custodial arrangements that will be carried out by the Trustee and the Investment Manager in relation to the ongoing management and administration of the Fund.

POST ACQUISITION MONITORING OF INVESTMENTS

The Investment Manager will closely monitor the performance and progress of Investments on an ongoing basis. The basis of the ongoing, post-acquisition management will be the initial investment recommendation and forecast prepared for the initial Investment.

The Investment Manager will incorporate the results of the above ongoing monitoring in the annual reporting to Fund Investors and in the ongoing valuation of each asset.

INVESTMENT EXIT STRATEGY

The Investment Manager will seek to maximise the value of the Fund assets. It is expected that realisations will occur throughout the Fund's life. Investments may also be realised earlier in the Fund life if opportunities arise to realise Fund investments at an attractive price.

7. SUMMARY OF MAJOR TERMS

Summary of Terms

The following constitutes a summary of the principal terms of the Fund and the Offer.

This summary of terms:

- is provided only for the purposes of gaining a general understanding of the proposed Offer described herein;
- may only be provided to a person who is (and by viewing this Memorandum you are representing and warranting that you are) not a 'retail client' under the Corporations act;
- must not be distributed or otherwise provided to any person other than the person to whom it was first given; and
- has been prepared without taking into account the objectives, financial situation or needs of any individual Investor.

Each prospective investor should consult with independent counsel regarding the matters set forth in Memorandum, including the risks which are described in Section 8, as well as any other legal, business, tax, accounting, or other related matters relevant to an investment by such investor in the Fund in order to gain a full understanding of the Fund and the Offer.

Before making an investment decision in relation to the Fund, potential Investors should review the Fund Agreements (an in particular, the Trust Deed for the Fund), in their entirety. Copies of the Fund Agreements will be provided to each prospective investor before acceptance of any subscription.

The terms of the Offer are subject to change without notice.

The Fund	<p>The Fund has been formed as a unit trust established under, and governed by, Australian law.</p> <p>The Fund has been established by and will be operated by the Trustee.</p>
The Investment Manager	Australia China Investment Fund Limited has been appointed as the Investment Manager and will provide investment management services.
Administration Manager	Vasco Investment Managers Limited will also act as Administration Manager of the Fund. The Administration Manager shall be responsible for the administration of the Fund including registry, fund accounting, compliance and other activities.
Offering Size	There is no restriction on the amount that can be raised under the Fund Agreements. The Trustee is seeking aggregate applications in the amount of A\$50 million in respect of the Fund. However, the Trustee may accept applications for a greater value of units
Minimum Commitment	The minimum aggregate applications required to be made by an Investor will be A\$1,000,000, although investments of lesser amounts may be accepted at the sole discretion of the Trustee.

Net Asset Value and Unit Price Calculation

The net asset value of the Fund and the net asset value per unit (“Unit Price”) are important value calculations that determine the:

1. value of the investment held by Unitholders;
2. redemption sum; and
3. issue price of any new units which are issued after the Initial Close.

The net asset value of the Fund is calculated by determining the market value of all assets owned by the Fund and deducting the value of any liabilities. Net Asset Value per unit is the net asset value of the Fund divided by the number of units on issue.

The price of a Unit of the Fund is expected to be \$1.00 unless there is a material change in the fair market value of the assets of the Fund.

The net asset value of the Fund and the Unit Price will be calculated at as the last business day of the month.

Distributions

Distributable Income (as defined in the Trust Deed) of the Fund will be distributed to Investors on a quarterly basis, provided that the Trustee may determine in its absolute discretion to distribute such amounts more frequently.

It is expected that distributions will be paid within 14 days of the end of each quarter. The Trustee may allow Investors to re-invest their distributions.

The Trustee may decide not to distribute amounts which it reasonably considers necessary for operating or funding such Investments and to create, if it considers this to be in the Investors’ best interests, appropriate reserves for the obligations and activities, as well as for any required tax withholdings. Taxes paid or withheld that are allocable to one or more Investors will be deemed to have been distributed to such Investors for the purposes of determining the above calculations.

During the term of the Fund, where the Investment Manager considers that a certain reinvestment opportunity would increase the Fund’s overall return, the Trustee may on advice from the Investment Manager reinvest the proceeds from the sale of assets, consistent with the Investment Guidelines.

Investment Management Fee

The Trustee will pay Australia China Investment Limited an annual management fee for acting as Investment Manager of the Fund. The management fee payable in respect of the investment management services will comprise:

- a) an investment management fee of 1.0 % per annum (plus GST) of the gross asset value of the Fund, calculated and paid monthly in

arrears out of the assets of the Fund.

- b) a Performance Fee equivalent to any excess return generated by the Fund after Investors have received a return of 7.5 % per annum (after all fees and expenses) and any previous under-performance has been recovered. The Performance Fee will be paid out of the assets of the Fund at the end of each quarter, being after the end of September, December, March and June.

The Investment Manager is also entitled to receive from borrowers or underlying managed funds or projects in which the Fund invests and retain for its own purposes a loan establishment fee or an upfront referral fee of 4.5% (plus GST) of any loans advanced or investments made by the Fund. This fee is to cover costs incurred by the Investment Manager in establishing the Fund, the costs of raising capital and the cost of arranging suitable investments.

Trustee Fee

The Trustee is entitled to receive an establishment fee of \$14,500 (plus GST) and an annual fee for acting as trustee of the Fund. This annual fee will be equal to the greater of:

- (a) \$25,000 (plus GST); or
- (b) 0.1% (plus GST) per annum of the gross asset value of the Fund.

This fee will be paid monthly in arrears out of the assets of the Fund (and will be calculated by multiplying the amount of the Fund's gross asset value by 0.1% (plus GST) per annum, subject to a minimum annual fee).

Administration Fee

The Trustee will also be paid a base fee of up to \$25,000 (plus GST) per annum for acting as administration manager of the Fund. This fee is subject to an annual increase in line with the Consumer Price Index.

Other Expenses

Except as specifically set forth elsewhere herein, the Trustee will pay, out of the assets of the Fund, all expenses related to its operation, including fees, costs, and expenses of the Fund, the Trustee and the Investment Manager (including travel and related expenses) incurred in connection with potential Investments (including investments that are not consummated) and the acquisition, financing, holding, sale, proposed sale or valuation of any Investment (including the repayment of such financings, the costs of establishing and maintaining any borrowing facility, the Management Fee, the fees and expenses of the Trustee, fees and expenses of the independent members of the Investment Manager (including a proportional share of the costs of directors' and officers' liability insurance for such independent members of the Fund Investment Committee), all litigation-related and indemnification expenses, fees of auditors, fees of due diligence consultants (including, without limitation, financial, physical and environmental consultants) and counsel, administrative expenses, costs of holding Investor meetings, costs of preparation of tax returns and any taxes, fees or other governmental

charges levied against the Trustee, in its capacity as trustee of the Fund.

The Investment Manager and the Trustee will each pay all of its general overhead expenses, including the compensation of its personnel who act on its behalf relating to their duties and responsibilities.

Transfer of Interests

Units may not be sold, transferred, pledged or assigned by an Investor without the prior written consent of the Trustee (which may be given or withheld in the Trustee's sole and absolute discretion and such discretion will be exercised in the best interest of the Investors). No trading market will exist for the units in the Fund.

Notwithstanding the foregoing, but subject to requirements of applicable law and other conditions set forth in more detail in the Fund Agreement, the Trustee will not unreasonably withhold its consent to the transfer by an Investor of all or a portion of such Investor's units to any entity that is wholly owned by or under common ownership with such Investor.

Withdrawal/ Redemption

Although the Trust Deed permits the withdrawal or redemption of units in the Fund, at the discretion of the Trustee, the Trustee does not currently intend to permit Investors to voluntarily withdraw any amount from the Fund during the initial 4 years of their investment. Investors may only withdraw their investment after the minimum investment period of 4 years. We expect that, subject to available liquidity, to meet withdrawal requests within 120 days of receipt of a valid request. Should the Fund have insufficient liquidity at this time redemptions will be deferred until expiration of the term of the Fund being the end of the initial 5 year term. Accordingly, Investors should be aware that they will have no right to require the Trustee to facilitate the redemption of their units during this period.

However, the Trustee may consider redemption requests and permit redemptions in limited circumstances (in the Trustee's absolute discretion).

Investors should also note that their units may be redeemed by the Trustee in certain circumstances specified in the Trust Deed, including if the Trustee determines, in its sole and absolute discretion that it would be in the best interests of Members of the Fund to do so.

Indemnification

The Trustee is entitled to be indemnified out of the Fund for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Fund.

The Investment Manager is similarly entitled to be indemnified by the Trustee (out of the assets of the Fund) for all claims, losses, liabilities, damages, costs and expenses ("Costs") incurred by them in relation to the performance of their role as Investment Manager. However, the Investment Manager is not entitled to be indemnified by the Trustee and will be liable to the Fund for any Costs arising as a result of their fraud, gross negligence, wilful default or material breach of the agreement under which they are appointed.

Application

Persons interested in investing in the Fund are required to complete and

Matters	return to the Administration Manager the application forms for the Fund and Identity Verification Forms, copies of which will be made available to each prospective investor. Applications may be rejected in whole or in part in the Trustee's sole discretion.
Amendments	The terms of the Trust Deed may be amended by the Trustee, subject to the Trustee's duties and obligations to Investors. The Trustee will not make any amendments to the Trust Deed that it considers would be materially adverse to Investors, without seeking the approval of Investors.
Investor Meetings	Investors holding at least 15% of the votes that may be cast on the resolution may call a meeting.
Reports	<p>The Fund will furnish Investors with financial statements and tax information necessary for the completion of Investor tax returns on an annual basis. On a six monthly basis, each Investor will be furnished with a summary report on the Fund's Investments.</p> <p>On an annual basis, financial statements will be provided to Investors as soon as practicable after the end of the financial year.</p> <p>Investors may not disclose information contained in any report without the consent of the Manager or as required by law.</p>
Affiliated Parties	The Investment Manager, the Trustee and their affiliates will be entitled to engage their affiliates to provide corporate advisory services to the Fund in respect of Investments made by the Fund (including, without limitation, underwriting, arranging, corporate transaction advice and other similar investment banking services). Amounts payable by the Fund to such affiliates for its performance of any such services for the benefit of the Trustee will be on market terms and will be reviewed by the independent members of the board on an annual basis. For clarity, such fees will not offset the Management Fee.
Related Party Transactions	The Trustee and Investment Manager may engage in related party transactions when viewed as being in the best interest of Investors.

8. RISK FACTORS

All investments involve varying degrees of risk. While there are many factors that may impact on the performance of any Investment, the section below summarises some of the major risks that Investors should be aware of when investing in the Fund.

Before investing, prospective investors should consider whether the Fund is a suitable investment, having regard to their personal investment objectives, financial position, and particular needs and circumstances. Investors should also consider and take into account the level of risk with which they are comfortable, the level of returns they require, as well as their frequency and nature, and their investment time horizon. Investors should seek professional advice in setting their investment objectives and strategies.

The risks described below are not exhaustive and whether a risk is specifically referred to in this section or not, that risk may have a material effect on the performance and value of the Fund. Importantly, Investors should note that the value of an investment in the Fund, and income received by Investors, may rise or fall and, consequently, Investors may suffer losses (including the loss of all of their capital investment in the Fund).

Manager Risk

The Trustee and Investment Manager may elect to retire or may be replaced as the trustee or investment manager of the Fund or the services of key personnel of the Trustee and Investment Manager may become unavailable for any reason.

There is always a risk that the Trustee and Investment Manager may fail to identify and adequately manage the investment and property management risks in the Fund's portfolio and thus affect the ability to pay distributions or reduce the value of the units.

Operational risks of the Trustee, the Investment Manager and the Administration Manager include the possibility of systems failure, regulatory requirements, documentation risk, fraud, legal risk and other unforeseen circumstances.

By investing in Fund, the Fund is relying on the ability of the Trustee and its investment professionals to achieve the Fund's objectives. If the Trustee and/or its investment professionals were not to continue in their respective roles, the Fund may not be able to achieve its objectives.

Income Risk

There is also a risk that investing in the Fund may give different results than investing individually because of income and capital gains accrued.

Diversification Risk

The Investments will be exclusively in the real estate sector and the Fund is likely to make a limited number of investments or perhaps only a single investment. As such, the Fund will not be diversified by sector or number of investments and the Fund will be exposed to any events which have an adverse effect on the value of assets in the real estate sector.

Investors should also note that if the target funds are not raised, the Fund may make fewer investments thereby increasing portfolio concentration. If the Fund's investment portfolio is

concentrated in a small number of investments, the portfolio will be subject to a greater level of volatility.

Liquidity Risk

The Fund is an illiquid investment.

An investment in the Fund should be viewed as illiquid. There is currently no secondary market for units in the Fund and it is unlikely that any active secondary market will develop. There are substantial restrictions upon the transferability of Fund interests under the Fund Agreements and applicable securities laws.

You should only consider an investment in this Fund if you are not likely to require access to your investment in the short term.

Tax Risk

Tax regulations can change and changes can be adverse. Investors should consider their own circumstances before investing.

General Investment Risks

The returns from investments in property and property trusts are affected by a range of economic factors, including changes in interest rates, exchange rates, inflation, general share and property market conditions, government policy (including monetary and taxation policy and other laws), fluctuations in general market prices for property, shares, bonds and other tradeable investments and the general state of the domestic and world economies.

The value of units can fall as well as rise due to circumstances affecting the economy generally, or to other factors which may affect the value of the properties in which the Fund may invest.

There may be increases in supply or falls in demand in any property market sector or geographic region. Therefore, there is no guarantee that the Fund will experience capital gains on the disposal of properties and other investments or those fluctuations in distributions will not occur.

Property Risk

There may be external influences from time-to-time, including unforeseen items of expenditure which have not been budgeted for and loss of revenue, which adversely affect the income of the Fund. These may result in a reduction of distributions and returns.

Performance and Portfolio Risks

These risks relate to the performance of property assets and may include:

- vacancy levels which can have a direct impact on the value of each property at the time that any property may be sold;

- inability to sell a property due to a depressed property market or at the time of disposal, the sale price is less than the original purchase price;
- damage to a building as a result of fire, tempest, malicious damage, earthquake, etc. (however, these risks will be insured against);
- risk that the Fund will be involved in disputes or litigation; and
- changes in income tax, indirect tax or stamp duty legislation or policy may affect the Fund's returns.

Valuation Risk

Each year valuations of all properties in the Fund will be undertaken to enable the preparation of the financial statements as well as deriving unit values. Underpinning the process is a valuations policy which provides, amongst other things, that the same valuer cannot be used for more than two (2) consecutive valuations. However, if any of the valuations obtained in respect of assets in the Fund are materially incorrect, this may have an adverse impact on the unit pricing for the Fund and on the returns to Investors.

Operating History

The Fund has only a short operating history upon which Investors may base an evaluation of its likely performance. The success of the Fund's trading and investment activities will depend almost entirely on the Investment Manager's ability to carry out the proposed investment strategy successfully. While the principals of the Investment Manager have previous experience making and managing investments of the type contemplated by the Fund, there can be no assurance that the Fund's investments will achieve the targeted rate of return.

Return of Capital

The return of capital and the realisation of gains, if any, generally will occur only upon the partial or complete disposition of Investments. While an Investment may be sold at any time, it is not generally expected that this will occur for a number of years after the initial Investment. Before such time, there may be no capital return on the Investment. There can be no assurance that profits will be realised from the Fund's Investments and losses on unsuccessful Investments may be realised before gains are realised. Investors should also note that Fund operating expenses, including annual management fees, may exceed income or realised profits therefore requiring the difference to be paid from the Fund's capital.

Lack of Opportunities

The Investment Manager may not be able to source enough investments within the investment timeframe or the Fund may not be fully invested at all times which may lead to lower performance returns.

Target Investments

To the extent that the Trustee, the Investment Manager or their affiliates have made capital contributions to investments which will be transferred to the Fund, such investments, subject to required consents and other transfer restrictions, will be sold to the Fund at cost plus fees,

and the Fund will reimburse any other costs associated with such investments. There can be no assurance that all transfer requirements will be met for each such investment, or that the value of any such investment at the time of transfer will approximate the original cost of such investment.

Minority Investments

The Fund anticipates that it may hold minority interests in the Investees and Projects. Therefore, the Fund may have a limited ability to protect its position or to control or influence effectively the business or affairs of Investees or Projects to the same extent as it would with respect to a wholly- or majority-owned investment. The Fund may also be adversely affected by actions taken by the majority equity holder(s) of the Investees or Projects, in which it invests. Furthermore, the Fund's relationships with such third party majority equity holder(s) may involve risks not present in investments where a third party is not involved, including the possibility that third party equity holder(s) may at any time have economic or business interests or goals that are inconsistent with those of the Fund or may be in a position to take action contrary to the Fund's investment objectives. The Fund may also in certain circumstances be liable for actions of the third party equity holder(s). As is the case with many minority holdings, the Fund's minority stakes may not have the valuation premiums accorded majority or controlling stakes.

Debt Investments

In limited circumstances, the Fund may make investments in subordinated debt or convertible debt securities. Such investments are subject to interest rate risk and the risk that the issuer or the guarantor of the security will be unable or unwilling to make timely principal and/or interest payments. The Fund's debt investments may be unsecured and structurally or contractually subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. Further, such investments may not be protected by financial covenants or limitations on the issuer's incurrence of additional indebtedness. Investor demand, changes in the financial condition of issuers, government fiscal policy and domestic or worldwide economic conditions, among other factors, may affect the market price and yield of debt securities. There is no minimum credit rating for the debt securities in which the Fund may invest.

Fees and Expenses

The Fund will incur fees and expenses regardless of whether it is profitable. For example, the Fund will pay management fees whether or not it makes any profits. In addition, the Fund will also be required to pay annual management fees whether it is fully invested or not. The Fund must therefore make sufficient profits from its investments to avoid depletion or exhaustion of its assets from these and other expenses. The Trustee and the Investment Manager expect to incur significant fees and expenses in seeking to source, evaluate, structure, negotiate, close, monitor and exit investments including, but not limited to, financial, legal, technical, regulatory, commercial advisers, engaged to assist the Trustee and the Manager in seeking to source, evaluate, structure, negotiate, close, monitor and exit investments. There can be no assurance that the Fund will be successful in being able to recover these fees and expenses from successfully closed investments. These amounts may be significant and could have an adverse impact on the return that Investors might otherwise realise.

Currency Risk

The Fund's investments will be dominated in Australian dollars and therefore the weakening of a country's currency relative to the Australian dollar will negatively affect the value of the Fund's from the perspective of an international investor. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation, central bank policy, and political developments.

Thinly-Capitalised Management

The Investment Manager does not have any material independent financial resources. If an action or claim is brought against the Investment Manager and such claim is not covered by the professional indemnity or directors' and officers' insurance policies arranged by or on behalf of the Investment Manager, the Fund cannot assure that the Investment Manager will have sufficient financial resources to cover any amounts payable under any such claim. The Fund is reserved to certain sophisticated investors who are required to be aware of the risks involved in an investment in property and who accept that they will have recourse only to the Fund's assets in existence at any given time.

Other Risks

It is important to note that not all risks can be foreseen. It is therefore not possible for the Investment Manager to protect the value of the Fund's investment from all risks. Investors should ensure they obtain appropriate professional advice regarding the suitability of an investment in the Fund having regard to their individual circumstances, including investment objectives, their level of borrowings, their financial situation and individual needs.

Neither the Trustee nor Investment Manager guarantees the repayment of capital or the performance of the Fund.

Conflicts of Interest Risks

The Trustee and its directors may develop advisory and other relationships with a wide variety of clients and investors. As a result of obligations that arise from those relationships, including obligations of confidentiality, certain potentially suitable investment opportunities of which the Trustee becomes aware may not be offered or disclosed to the Fund.

The Investment Manager is entitled to receive from borrowers and retain for its own purposes a loan establishment fee of 4.5% (plus GST) of any loans advanced by the Fund. This fee is to cover costs incurred by the Investment Manager in establishing the Fund and the costs of raising capital. This fee may potentially create a conflict of interest in that the payment of the fee could potentially influence the due diligence process. The Investment Manager believes that any conflict of interest is mitigated by the use of independent external advisers in the due diligence process.

9. CERTAIN TAX AND REGULATORY CONSIDERATIONS

Below is a summary of the Australian income tax consequences relevant to income and gains derived by the Fund.

Please note that:

- the following is merely a summary of the key issues and not a complete list of all tax issues; and
- all Investors should seek specific tax advice relevant to their own circumstances.

FUND STRUCTURE

The Fund is an unlisted, unregistered Australian unit trust scheme that will primarily invest in Australian real estate, real estate Projects and loans or other debt products.

The Fund structure is shown in Section 3.

FUND INCOME

The primary types of income that will be derived by the Fund will comprise interest, rental income and gains from the disposal of properties and distributions from unit trust schemes.

AUSTRALIAN INCOME TAX CONSIDERATIONS

The Australian income tax consequences will depend, amongst other things, on the investments ultimately acquired by the Fund and the Investor profile and circumstances.

Please note that the ultimate taxation consequences to each Investor arising from distributions from the Fund will differ depending upon the circumstances applicable to each Investor. Each Investor should seek their own taxation advice.

In general, the structure should result in the following Australian income tax consequences:

- neither the Fund nor the Trustee should be liable for any taxes on the Fund income on the basis that the Investors should be presently entitled to, and the Fund intends to distribute all its Distributable Income (as defined in the Trust deed) on an annual basis; and
- the Fund income may be taxable in the hands of the Investors when distributed.

Dividends

- Dividends from Australian resident companies distributed to *non-Australian investors* (being non-residents of Australia not investing in the Fund through a permanent establishment in Australia and residents in Australia investing in the Fund through a permanent establishment outside of Australia) should be subject to withholding tax at 30% (or less if the withholding tax rate is reduced under relevant tax treaties) unless the dividends are “fully franked” dividends (i.e. in general, this means dividends paid out of profits that have already been subject to Australian corporate tax) or “conduit foreign income”;

- Non-Australian sourced dividends distributed to *non-Australian investors* should not be subject to Australian income tax; and
- Dividends distributed to *Australian investors* should be assessable in the hands of the investors with potential tax offsets available where any franking credits are attached, or potential foreign tax offsets in the case of non-Australian sourced dividends. The availability of tax offsets will depend on the nature of the dividend and the Investor's individual circumstances.

Interest

- Interest distributed to *non-Australian investors* should be subject to withholding tax at 10% unless it is foreign sourced; and
- Interest distributed to *Australian investors* should be assessable in the hands of the investors.

Gains from the disposal of shares and property

- *Revenue gains* distributed to investors from disposal of shares in Australian property companies or of Australian property assets should be assessable to the investors at relevant tax rates (e.g. currently 30% for companies, 15% for Australian complying superannuation funds);
- *Capital gains* distributed to *non-Australian investors* from disposal of shares in Australian property companies should only be subject to Australian income tax where the shares held by the Fund comprise a 10% or greater interest in the relevant companies at the time of the disposal or throughout a 12-month period that began no earlier than 24 months before the disposal.
- *Capital gains* distributed to *non-Australian investors* from disposal of direct property assets should be assessed in the hands of non-Australian investors at their relevant rates, subject to the availability of the Managed Investment Trust tax concession discussed below.
- *Capital gains* distributed to *Australian investors* from disposal of shares in Australian property companies and direct property assets should be assessable in the hands of the Australian investors at their relevant tax rates. However, the capital gains tax discount concession may be available to certain investors where the shares have been held by the Fund for more than 12 months.
- Whether the gain is considered a "capital gain" or a "revenue gain" is question of fact. If the intention of the acquisition of the target assets is to sell those assets at the end of the life of the Fund for a profit, then any gain on sale is likely to be considered to be a revenue gain (unless the Fund is qualified as a "MIT" and makes the capital account election).

The Managed Investment Trust Tax Concession

- Based upon the background facts, provided that the relevant conditions are satisfied, Managed Investment Trust ("MIT") tax concessions may apply in which case:

- Distributions (other than dividends, interest, royalties, and non-taxable capital gains) from a MIT to its non-Australian investors who are residents of an “information exchange country” are subject to a final withholding tax at 15 %. Investors who are residents of non-information exchange countries are subject to a final withholding tax of 30 %. Note that dividends and interest will still be subject to withholding taxes discussed above; and
- An MIT can make an election to apply the capital gains tax provisions to the disposal of shares in Australian property companies. That is, any gains on disposal of these assets will be treated as capital gains.

STAMP DUTY

As the register of the Fund will be maintained in Victoria, no marketable securities duty is payable on the transfer of units in the Fund. Land rich or landholder duty may be payable in the issue, redemption or transfer of Units in any Australian jurisdiction where the Fund owns or has an interest in land.

ANTI-MONEY LAUNDERING REGULATIONS

Australian Requirements

The Trustee is required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (“AML/CTF Law”). This means that the Trustee will require potential Investors to provide personal information and documentation in relation to their identity when they invest in the Fund. The Trustee may need to obtain additional information and documentation from Investors to process applications or subsequent transactions or at other times during the period of the investment.

The Trustee may need to identify:

- (a) an Investor prior to purchasing units in the Fund. The Trustee will not issue units until all relevant information has been received and an Investor's identity has been satisfactorily verified; and
- (b) anyone acting on behalf of an Investor, including a power of attorney.

In some circumstances, the Trustee may need to re-verify this information.

By applying to invest in the Fund, Investors also acknowledge that the Trustee may decide to delay or refuse any request or transaction, including by suspending the issue or withdrawal of units in the Fund, if it is concerned that the request or transaction may breach any obligation of, or cause the Trustee to commit or participate in an offence under, any AML/CTF Law, and the Trustee will incur no liability to Investors if it does so.

FOREIGN INVESTMENT REVIEW BOARD (FIRB)

The Fund Investors are likely to be predominantly entities that are domiciled and operate outside Australia. As a result, the Fund will be characterised as a “foreign person” for purposes of the Foreign Acquisitions and Takeovers Act 1975 (Cth) (“FTA”), meaning that acquisitions of Australian assets by the Fund will be subject to the review processes contemplated by the FTA.

The Australian Government has established, under the FTA, related regulations and foreign investment policy, investment thresholds for foreign persons. Generally, the effect of these is that the acquisition of any asset (including shares in a company, instruments convertible into shares in a company and direct Project equity) for a consideration of \$A 252 million or less and, in the case of shares in a company, for the acquisition of 15% or less of the fully-diluted issued capital of the company will be approved automatically on a notification-only basis. However, other requirements apply in respect of residential real estate, vacant land and shares or units in companies or unit trusts that have 50% or more of the value of their assets in Australian urban land. Other requirements also apply to the acquisition of interests in developed commercial real estate.

The Trustee will consult with investors in relation to the applicable FTA requirements from time to time, having regard to the nature of the proposed investments.

All of the investments by the Fund will be under this threshold and thus not require specific approval.

ADDITIONAL INFORMATION

Before the consummation of the offering, the Trustee will provide to each prospective Investor and such Investor's representatives and advisors, if any, the opportunity to ask questions and receive answers concerning the terms and conditions of this offering and to obtain any additional information that the Trustee may possess or can obtain without unreasonable effort or expense that is necessary to verify the accuracy of the information furnished to such prospective investor. Any such questions should be directed to the Trustee. No other persons have been authorised to give information or to make any representations concerning this offering, and if given or made, such other information or representations must not be relied upon as having been authorised by the Trustee.

This Memorandum is intended to present a general outline of the policies and structure of the Fund, the Trustee and the Investment Manager. Each prospective Investor should thoroughly review the Fund Agreements, which specify the rights and obligations of the Investors. The Summary of Principal Terms of certain provisions of the Fund Agreements contained herein is necessarily incomplete and is qualified in its entirety by reference to such agreement. Copies of the Fund Agreements will be made available upon request.

PRIVACY

Investors will be required to provide personal information to make an investment in the Fund. The Trustee and service providers to the Trustee or the Fund may collect, hold and use potential Investors' personal information in order to assess applications, service their needs as a client or investor, provide facilities and services to Investors, the Trustee or the Fund and for other purposes permitted under the *Privacy Act 1998* (Cth). Tax and company law also require some of the information to be collected in connection with applications. If a potential Investor does not provide the information requested or provides incomplete or inaccurate information, their application may not be able to be processed efficiently, or at all. Investors' information may be disclosed to the Trustee's agents and service providers on the basis that they deal with such information in accordance with the Trustee's privacy policy.

An Investor's personal information may also be used to administer, monitor and evaluate products and services, gather, aggregate and report statistical information, assist the Investor with any queries and take measures to detect and prevent fraud and other illegal

activity. The Trustee may also be allowed or obliged to disclose information by law and to report on risk management matters. Any Investors who have concerns about the completeness or accuracy of the information the Trustee has about them or who would like to access or amend their personal information held by the Trustee should contact the Trustee. Investors who wish to receive a copy of the Trustee's privacy policy should also contact the Trustee.

CONSENTS

Australia China Investment Fund Limited has given their written consent to be named in the Memorandum in the form and context in which they are named and have not withdrawn their consent prior to the date of this Memorandum.

10. APPLICATIONS FOR UNITS

10.1 Applications for units

An application for units can only be made by completing and lodging the “Application for Units” form that is attached to this Memorandum (“Application”). Instructions relevant to completion of the application are set out in the form.

A completed and lodged application, together with payment of the relevant application monies should be returned to the Administration Manager at the address shown on the application form. This will constitute a binding and irrevocable application for the number of units noted on the application.

If the application for units is not completed correctly or if the payment of the application monies is for the wrong amount, it may still be treated as a valid application at the sole discretion of the Trustee. However, where the payment is for less than the number of units applied for, the application will be deemed to be for the lower number of units.

The Trustee reserves the right to reject an application (in whole or in part) without reason.

Applications along with application monies should be emailed, faxed, mailed or delivered to:

Vasco Investment Managers Limited
Level 5, 488 Bourke Street Melbourne, Victoria, 3000, Australia
T +61 3 8352 7120 F +61 3 8352 7199 E info@vascofm.com

All application money payments should be made as follows:

1. By cheque:

Cheques should be made out to “Vasco Investment Managers Limited ATF ACIF and crossed “Not Negotiable”. No application will be processed until the cheque has been cleared.

2. By electronic transfer:

Electronic transfers should be made to “Vasco Investment Managers Limited ATF ACIF c/o **Macquarie Bank – BSB: 182 512, Account: 963628029** and identified by the name of the person or entity making the transfer (including ACN or ABN) where applicable. The Macquarie Bank Swift Code is MACQAU2SXXX.

All application monies received in relation to the Offer will be held in the account of the Trustee until allotment.

10.2 Unit Allotment

Applications will be processed and units issued on a first-come, first-served basis. Early lodgement of applications is recommended as the Offer may be closed early at the discretion of the Trustee.

An application for units constitutes an offer by the applicant to subscribe for units on the terms and subject to the conditions set out in this Memorandum. Where the number of units allotted is less than the number of units applied for or where no allotment is made, the surplus application monies will be returned to the applicant by cheque within 14 days of the relevant closing date. Interest will not be paid on refund application monies.

10.3 Minimum Investment

The minimum investment in applying for units is \$1,000,000.

The offer of subscription for units in respect of the Offer is expressly restricted to wholesale clients as defined in the Corporations Act.

By lodging an application for units in respect of the Offer contained in this Memorandum, the Investor declares and warrants to the Fund that the Investor is and will remain a wholesale client as defined in the Corporations Act.

The Trustee has the discretion to accept applications of less than \$1,000,000 but greater than \$500,000.

Application Form

AUSTRALIA CHINA
INVESTMENT FUND LIMITED



Use this application form if you wish to invest in:

Australia China Investment Fund

Customer identification

If you are a new investor, you are also required to complete the relevant Identity Verification Form depending on what type of investor you are e.g. individual company or trustee of a trust or superannuation fund. The Identity Verification Forms are available on our website www.vascofm.com or by calling our Investor Services team on 03 8352 7120.

Australia's Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) legislation obliges us to collect identification information and documentation from prospective investors.

Investors are required to complete this Application Form together with the relevant Identity Verification Form and send these to us with the required identification documentation. We will not be able to process your Application without a correctly completed Identity Verification Form and the required identification documentation. Upon receipt of your application, further information may be required.

Important Information for Financial Advisers

Vasco will also accept identification from a correctly completed Financial Services Council/Financial Planning Association (FSC/FPA) identification form.

When using this Identity Verification Form, please complete Sections 1 or 2 and 3.

If you are a financial adviser who has identified and verified the investor, by completing this Identity Verification Form together with the verification procedure and in the consideration of Vasco Investment Managers Limited (Vasco) accepting the investor's application:

- you agree to identify and verify all new investors, using this Identity Verification Form or the industry standard FSC/FPA Identification Form for identifying new investors
- you agree to retain a copy of the completed forms and all identification documents received from the investor in the investor's file for seven (7) years after the end of your relationship with the investor
- you agree to advise Vasco in writing when your relationship with the investor is terminated and agree to promptly provide Vasco all identification documents and/or the record of identification received from the investor at this time, or as otherwise requested from Vasco, from time to time.

Contact details

Mail your completed application form and identity verification documents to:

Vasco Investment Managers Limited
Level 5
488 Bourke Street
Melbourne VIC 3000

If you have any questions regarding this form or the required Customer Identification requirements, please contact our Investor Services team on +61 3 8352 7120 or info@vascofm.com.

Checklist

Before sending us your application please ensure you have:

- ☒ completed this form in full;
- ☒ for new investments, complete the relevant 'Identity Verification Form' available on our website www.vascofm.com;
- ☒ if paying via direct debit, completed section 10 ensuring ALL bank account signatories have signed;
- ☒ if paying via cheque, ensure cheque is made payable to 'Vasco Investment Managers Limited ATF ACIF and attach it to this application form; and
- ☒ read the declaration and provided all relevant signatures.

Application Form

**AUSTRALIA CHINA
INVESTMENT FUND LIMITED**



PLEASE USE **BLOCK LETTERS** AND **BLACK INK** TO COMPLETE THIS APPLICATION FORM

1. Investment details

Is this a new investment or an additional investment?

☐ New investment ▶ Please proceed to section 2.

[illegible]

Please proceed to section 6. If you provide any information in any other section, this will override any previous information provided.

2. Investor type

- ☐ Individual investor – also complete ‘Identity Verification Form – Individuals and Sole Traders’
- ☐ Joint investors – also complete ‘Identity Verification Form – Individuals and Sole Traders’
- ☐ Sole Trader – also complete ‘Identity Verification Form – Individuals and Sole Traders’
- ☐ Super Fund – also complete ‘Identity Verification Form – Superannuation Funds and Trusts’
- ☐ Trust – also complete ‘Identity Verification Form – Superannuation Funds and Trusts’
- ☐ Australian company – also complete ‘Identity Verification Form – Australian Companies’
- ☐ Other – contact our Investor Services team on 03 8352 7120 for other Identity Verification Forms.

3. Investor name

3A. Individual investor/joint investors/sole trader

Investor 1

Surname

Full given name(s)

Title /Mr/Mrs/Miss/Ms _____ Date of birth ____/____/____

[illegible]

Investor 2

Surname

[illegible]

Title (Mr/Mrs/Miss/Ms) Date of birth / /

3B. Super fund/Trust/Australian company/other

[illegible]

3C. Account designation (if applicable)

Provide the name of the person for whom the investment is being made (if applicable). Please note we do not accept investments from people under 18 years of age; however, investments may be designated on their behalf.

Surname

Full given name(s)

Full given name(s)

Title (Mr/Ms/Miss/Ms

☐ ☐ ☐ ☐

We are only required to act on instructions from the investors listed in 3A and 3B. Vasco is not bound to take any notice of any interest of any person listed in 3C.

The Information Memorandum (IM) includes information about purchasing units in the Fund. Any person who gives another person access to the application form must also give the person access to the IM and any incorporated information. You should read the IM and any incorporated information before completing this application form. The Trustee of the Fund is Vasco Investment Managers Limited (Vasco) (ABN 71 138 715 009, AFSL 344486). Vasco or a financial adviser who has provided an electronic copy of the IM and any incorporated information, will send you a paper copy of the IM and any incorporated information and application form free of charge if you so request.

4. Contact details

This is the address where all correspondence will be sent.

Contact person	<input type="text"/>																				
Unit number	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Street number	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Street name	<input type="text"/>																				
Suburb	<input type="text"/>																				
State	<input type="text"/>	<input type="text"/>	<input type="text"/>	Postcode	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Country	<input type="text"/>																				
Phone (after hours)	<input type="text"/>										Phone (business hours)	<input type="text"/>									
Mobile	<input type="text"/>										Facsimile	<input type="text"/>									
Email	<input type="text"/>																				

5. Tax information

It is not against the law if you choose not to give your TFN or exemption reason, but if you decide not to, tax may be taken out of your distributions at the highest marginal tax rate (plus Medicare levy).

5a. Individual investor or entity

5b. Investor 2 (joint investors)

TFN	<input type="text"/>	TFN	<input type="text"/>
Tax exemption	<input type="text"/>	Tax exemption	<input type="text"/>
ABN	<input type="text"/>		

5c. Non-residents

If you are a foreign resident, please indicate your country of residence for tax purposes.

6. Investment allocation

Please indicate how you will be making your new or additional investment, and the amount you wish to invest.

I/we are making my/our investment via:

☐ Direct Credit / EFT → see the Fund's account details below.

☐ Cheque → make cheque payable to 'Vasco Investment Managers Limited <ACIF>'.

Fund name	Initial investment
Australia China Investment Fund	\$ <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> <input type="text"/>

The minimum initial investment is A\$1,000,000. The minimum additional investment is \$500,000

Cheque Instructions

Cheques or drafts must be made payable to Vasco Investment Managers Limited ATF ACIF. Only cheques or drafts in Australian currency and drawn on an Australian bank will be accepted. Your cheque(s) should be crossed NOT NEGOTIABLE. Mail or deliver your completed Application Form with your cheque(s) to:

Vasco Investment Managers Limited
Level 5, 488 Bourke Street
Melbourne, VIC, 3000
P +61 3 8352 7120 F +61 3 8352 7199 E info@vascofm.com

Direct Credit / EFT Instructions

Alternatively you can direct credit your application funds to:
Vasco Investment Managers Limited ATF ACIF
Macquarie Bank
BSB 182 512
Account number: 963628029
Macquarie SWIFT Code: MACQAU25XXX
Please note the applicants name when transferring the funds.

7. Income distributions

Please indicate how you would like your income distributions to be paid by crossing (X) one box only. If this is a new investment and no nomination is made, distributions will be reinvested. A nomination in this section overrides any previous nominations. There may be periods in which no distribution is payable, or we may make interim distributions. We do not guarantee any particular level of distribution.

- ☐ Please reinvest my/our income distributions into the Fund(s).
- ☐ Please credit my/our nominated bank account provided in section 9 with my/our income distributions.

8. Annual report

- ☐ A copy of the annual report for the Fund(s) will be provided on the Vasco website www.vascofm.com. Please cross (X) this box if you wish to receive a paper copy of the annual report for the Fund in which you are invested. If you choose to have an annual report mailed to you, it will be mailed to the address provided in section 4 or your current address on file for existing investors. For additional investments, a nomination in this section overrides any previous nominations.

9. Nominated bank account (must be an Australian financial institution)

Unless requested otherwise, this will also be the bank account we credit any withdrawal proceeds and/or distributions if you requested these to be paid to you and not reinvested. By providing your nominated account details in this section you authorise Vasco to use these details for all future transaction requests that you make until notice is provided otherwise. **For additional investments, a nomination in this section overrides any previous nominations.**

[illegible]

10. Declaration and applicant(s) signature(s)

Please read the declarations below before signing this form. The signatures required are detailed at the bottom of this form.

We declare that:

- all details in this application and all documents provided are true and correct and I/we indemnify the trustee of the Fund I/we am/are investing in against any liabilities whatsoever arising from acting on any of the details or any future details provided by me/us in connection with this application;
- I/we have received a copy of the current IM and all information incorporated into the IM to which this application applies and have read them and agree to the terms contained in them and to be bound by the provisions of the current IM (including the incorporated information) and current constitution (each as amended from time to time);
- I/we have legal power to invest in accordance with this application and have complied with all applicable laws in making this application;
- I/we have received and accepted this offer in Australia;
- the details of my/our investment can be provided to the adviser group or adviser named at the end of this form or nominated by them by the means and in the format that they direct;
- if this application is signed under Power of Attorney, the Attorney declares that he/she has not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it);
- sole signatories signing on behalf of a company confirm that they are signing as sole director and sole secretary of the company;
- I/we have read and understood the terms and conditions for the use of telephone and fax and release and indemnify the Trustee from and against any liabilities whatsoever arising out of it acting on any communications received by telephone and fax under those terms;
- unless alternative authority for signature is notified to and accepted by Vasco, the person/persons that signs/sign this form is/are able to operate the account on behalf of the company and bind the company for future transactions, including in respect of additional deposits and withdrawals, including withdrawals by telephone and fax;
- I/we acknowledge that I/we have read and understood the information under the heading 'Privacy' contained in the relevant IM. I am/We are aware that until I/we inform Vasco otherwise, I/we will be taken to have consented to all the uses of my/our personal information (including marketing) contained under that heading and I/we have consented to my/our financial adviser providing such further personal information to Vasco as is required or reasonably deemed necessary by Vasco under applicable law;
- I/we understand that if I/we fail to provide any information requested in this application form or do not agree to any of the possible use or disclosure of my/our information as detailed on the IM, my/our application may not be accepted by the Trustee and we agree to release and indemnify them in respect of any loss or liability arising from its inability to accept an application due to inadequate or incorrect details having been provided;
- I/we acknowledge that none of the Trustee or any other member of Vasco or any custodian or investment manager, guarantees the performance of the Fund or the repayment of capital or any particular rate of return or any distribution.
- I/we acknowledge that acceptance of this application is at the discretion of the Trustee.

10. Declaration and applicant(s) signature(s) (continued)

Refer to list of signatories on page 6 of this application form

Investor 1

Signature	<div></div>	Date	<div></div> / <div></div> / <div></div> <div></div>
Surname	<div></div>		
Given name(s)	<div></div>		
Capacity	<div></div> Sole Director <div></div> Director		
	(company investments only)		

Investor 2 (joint investors)

Signature	<div></div>	Date	<div></div> / <div></div> / <div></div> <div></div>
Surname	<div></div>		
Given name(s)	<div></div>		
Capacity	<div></div> Director <div></div> Company Secretary		
	(company investments only)		

Signing Authority

Please tick to indicate signing requirements for future instructions (e.g. withdrawals, change of account details, etc.)

Only one required to sign.

All signatories must sign.

COMPANY SEAL
(if applicable)

11. Adviser use only

Office name	<div></div>
Surname	<div></div>
Given name(s)	<div></div>
Title (Mr/Mrs/Miss/Ms)	<div></div>
Phone (business hours)	<div></div>
Adviser group	<div></div>
Adviser group AFSL	<div></div>
Adviser Signature	<div></div>
Date	<div></div> / <div></div> / <div></div> <div></div>

ADVISER STAMP

Important notes

This application must not be handed to any person unless the relevant IM and access to the information incorporated into the IM is also being provided. The Trustee may in its absolute discretion refuse any application for units. Persons external to the Trustee or other entities who market their products are not agents but are independent investment advisers. The Trustee will not be bound by representations or statements which are not contained in information disseminated by the Trustee. Application monies paid by cheques from investment advisers will only be accepted if drawn from a trust account maintained in accordance with the Corporations Act.

Signatories

The table below provides guidance on completing the Declaration and applicant(s) signature's section of the application form. Before signing the application form please ensure you have read the declaration.

Type of investor	Names required	Signature required	TFN/ABN to be provided
Individual and/or joint investors	i. Full name of each investor (please do not use initials).	Individual investor's; or each joint investor's	Individual investor's; or each joint investor's
Sole trader	i. Full name of sole trader; and ii. Full business name.	Sole trader's	Sole trader's
Australian company	i. Full company name as registered with ASIC; and ii. Name of each director of the company; and iii. Name of each beneficial owner where their holding is 25% or greater.	i. Sole director's; or ii. Two directors'; or iii. One director's and company secretary's	Company's
Trust/Superannuation fund If you are investing on behalf of a superannuation fund, we will assume the superannuation fund to be a complying fund under the Superannuation Industry (Supervision) Act.	i. Full trust/superannuation fund name (e.g. Michael Smith Pty Ltd ATF Michael Smith Pty Ltd Super Fund); and ii. Full name of the trustee(s) in respect of the trust/super fund (either individual(s) or business name). Please note, if any of the trustees are an Australian company, all information in the 'Australian company' section must also be completed; and iii. Names of beneficiaries (if identified in Trust Deed).	Individual trustee(s) 'as trustee for' If any of the trustees are an Australian company, the signatures set out in the 'Australian company' section are also required.	Superannuation fund's or trust's
Account designation	Name of the responsible adult, as the investor.	Adult(s) investing on behalf of the person/minor	Adult(s)
If the investment is being made under Power of Attorney (POA) Please ensure an original certified copy of the POA is attached to the application form. Each page of the POA must be certified.	i. Full name of each investor(s) (as listed in section 3); and ii. Full name of person holding POA (underneath signature).	Person holding Power of Attorney In the case that the POA document does not contain a sample of the POA's (i.e. Attorney's) signature, please provide a certified copy of either the POA's driver's licence or passport containing a sample of their signature.	Individual investor's; or each joint investor's

SCHEDULE - OFFERING LEGENDS

It is the responsibility of any persons wishing to subscribe for interests to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of interests, and any foreign exchange restrictions that may be relevant hereto.

AUSTRALIA

This Memorandum may not be circulated or distributed and no offer for subscription or purchase of the units offered hereby, nor any invitation to subscribe for or buy such interests has been made or issued, directly or indirectly, in Australia, other than to prospective investors who are wholesale clients as defined in section 761G of the Corporations Act in an offer exempt from the disclosure requirements of Part 7.9 of the Corporations Act. Further, the units offered hereby may not be resold in Australia within a period of 12 months after the date of issue otherwise than by means of an offer exempt from the disclosure requirements of Part 7.9 of the Corporations Act.

This Memorandum is not a prospectus or product disclosure statement under the Corporations Act and is not required to be, and has not been, lodged with the Australian Securities and Investments Commission. To the extent that information in this Memorandum constitutes financial product advice, it is general financial product advice only, is provided by the Trustee and does not consider the specific objectives, financial intentions or needs of any particular person. Each person considering subscribing for interests should read this Memorandum in full before making a decision to acquire any interests. There is no cooling-off regime in Australia that applies in respect of the issue of the interests.

CHINA

The units are not being offered or sold and may not be offered or sold, directly or indirectly, to the general public in the People's Republic of China ("PRC") (for such purposes, not including the Hong Kong and Macau Special Administrative Region or Taiwan). This Memorandum or other offering materials has not been filed with or approved by the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Region or Taiwan) authorities, and is not an offer of securities (whether IPO or private placement) within the meaning of the PRC securities law or other pertinent laws and regulations of the PRC. This Memorandum shall not be offered to the general public if used within the PRC, and the interests can only be offered or sold to PRC investors that are authorised to engage in the purchase and sale of the type being offered or sold. PRC investors are responsible for obtaining all relevant government regulatory approvals/licenses themselves, including without limitation any which may be required from the State Administration of Foreign Exchange, the China Banking Regulatory Commission, and complying with all relevant PRC regulations.

HONG KONG

The Fund has not been authorised by the Securities and Futures Commission in Hong Kong, accordingly, the units cannot be offered or sold in Hong Kong, by means of any document, other than to "professional investors" as defined in the Securities and Futures Ordinance

(cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; nor may any person issue, or possess for the purposes of issue, any advertisement, invitation or document relating to the interests, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the units which are, or are intended to be, disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

DIRECTORY

TRUSTEE

Vasco Investment Managers Limited
Level 5
488 Bourke Street
Melbourne Victoria 3000
Australia
Telephone 03 8352 7120

INVESTMENT MANAGER

Australia China Investment Fund Limited
Level 13 Freshwater Place
2 Southbank Boulevard
Southbank Melbourne Victoria 3006

Level 32
101 Miller Street
North Sydney NSW 2060

Level 29, Tower 1, Jing An Kerry Centre
1515 Nanjing West Road, Jing An District
Shanghai China 200040

Telephone 1300 008 882

ADMINISTRATION MANAGER

Vasco Investment Managers Limited
Level 5
488 Bourke Street
Melbourne Victoria 3000
Australia
Telephone 03 8352 7120