

Loyalize Mortgage Fund

Information Memorandum regarding the Non-Pooled Investment Options

28 May 2018

Trustee: Vasco Investment Managers Limited ACN 138 715 009 AFSL 344486

Investment Manager: Loyalize Fund Management Pty Ltd ACN 616 511 589 AFSL 501290

Important Information

This information memorandum relates only to the Non-Pooled Investment Options of the Fund. This information memorandum does not relate to other Investment Options of the Fund, including the Pooled Investment Options. Information relating to the Pooled Investment Options is set out in the Information Memorandum for the Pooled Investment Options. Where relevant, the specific information of an Investment Option that may differ from, or elaborate on, the information contained in this Information Memorandum is set out in the relevant Supplementary Information Memorandum.

This Information Memorandum (**IM**) is dated 28 May 2018.

This IM details the features, benefits, risks and general information about the Loyalize Mortgage Fund (**Fund**).

The trustee for the Fund and issuer of this IM is Vasco Investment Managers Limited ACN 138 715 009 AFSL number 344486 (**Trustee**).

The Trustee has appointed Loyalize Fund Management Pty Ltd ACN 616 511 589 AFSL 501290 (**Investment Manager** or **Loyalize**) as the investment manager of the Fund. Under the trust deed for the Fund dated 22 May 2018, the Investment Manager may only be removed by a special resolution of investors or pursuant to the terms of the investment management agreement between the Trustee and the Investment Manager.

The Trustee has also appointed Vasco Funds Management Pty Limited ACN 610 512 331 (**Administration Manager**) as the administration manager of the Fund.

By accepting this IM, the recipient agrees to be bound by the terms and conditions set out in this IM.

Glossary

Certain capitalised words and expressions used in this IM are defined in the Glossary. All references to dollar amounts in this IM are to Australian Dollars (**AUD**), unless otherwise stated.

Images

Any images in this IM do not depict assets of the Fund unless otherwise indicated.

Updated information

Information in this IM may change. Updated information regarding this IM will be made available on the Trustee's website or otherwise by issuance of a replacement or supplementary information memorandum published on the Trustee's website at www.vascofm.com.

Questions

Any questions regarding this IM should be directed to the Investment Manager on +61 3 9890 3862 or the Trustee on +61 3 8352 7120 or at info@vascofm.com or at Level 5, 488 Bourke Street, Melbourne, Victoria, 3000, Australia.

ASIC

This IM has not been lodged with ASIC and ASIC takes no responsibility for the content of this IM.

Restrictions on distribution

The Offer is an offer which is available to persons receiving this IM within Australia but does not constitute an offer of interests in any jurisdiction where, or to any persons to whom, it would be unlawful to make the Offer.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to the Offer. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

Investor to undertake own due diligence

Information contained in this IM has been provided to prospective Investors to assist them to make an assessment of whether or not to invest in the Fund. In relation to the information contained in this IM, the Trustee, Investment Manager, Administration Manager, or their related parties, officers, employees, consultants, advisers or agents do not warrant or represent that:

- all information which is relevant to the making of an investment in the Fund has been provided in this IM;
- all information provided under this IM is accurate or correct or does not contain misleading or deceptive statements.

Whilst the Investment Manager has undertaken due diligence in relation to the Fund and the information which has been presented in this IM, it is possible that due to factors such as the passage of time or the uncertainty in forecast details, that the information contained in this IM may be inaccurate at the date of release of the IM or at a later time.

None of the Trustee, the Investment Manager, or their related parties, officers, employees, consultants, advisers or agents have carried out an independent audit or independently verified any of the information contained in this IM. The Trustee has not sought to verify any statements contained in this IM about the investments proposed by the Investment Manager, the Investment Manager's business or the business of any other parties named in this IM.

Prospective investors are strongly encouraged to undertake their own due diligence in relation to the Fund before making an investment. In addition, prospective investors should read this IM in its entirety and seek independent professional advice as to the financial, taxation and other implications of investing in the Fund and the information contained in this IM.

To the maximum extent permitted under the law, the Trustee and the Investment Manager disclaim any liability arising from any information provided in the IM.

By making an investment in the Fund, an investor warrants and represents to the Trustee and Investment Manager that they have undertaken their own due diligence in relation to investment in the Fund, including without limitation, in relation to the structure of the Fund, its investments and the likelihood of returns from the Fund.

Important Warning Statements

No performance guarantee

None of the Investment Manager, the Trustee, Administration Manager, nor their associates or directors or any other person guarantees the performance or success of the Fund, the repayment of capital invested in the Fund or any particular rate of return on investments in the Fund.

There can be no assurance that the Fund will achieve results that are comparable to the track record of the Trustee or Investment Manager and their advisers or that the Fund's investment objectives will be achieved.

An investment in the Fund does not represent a deposit with, or a liability of, the Investment Manager, the Trustee, the Administration Manager, or any of their associates.

An investment in the Fund is subject to investment risks which are described in Section 6 (*Risk factors*) of this IM, including possible delays in repayment and loss of some or all of your income or capital invested. The risks associated with an investment in the Fund are different to a cash deposit or investment in an approved deposit taking institution (ADI).

Prospective Investors should read the whole of this IM before making a decision about whether to invest in the Fund. The information contained in this IM is general information only and not personal financial product advice and therefore does not take into account the individual objectives, financial situation, needs or circumstances of investors.

Past performance should not be perceived as an indication of future performance as returns are variable and may be lower than expected.

Prospective Investors should not construe the contents of this IM as tax or investment advice.

Should it be required to protect all investments in the Fund, the Trustee, may use its discretion to delay or suspend redemptions from the Fund.

Investors should refer to Section 10 under the heading "Withdrawals from the Fund" for details of the withdrawal rights.

No representation other than this IM

Except where expressly disclosed, the information contained in the IM 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 their advisers as to the accuracy or completeness of any part of this IM, nor will they have any responsibility to update or supplement this IM.

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 IM, which is not in this IM. This IM supersedes any prior IM or marketing materials given prior to the issue of the IM to the extent of any inconsistency. Any information or representation in relation to the Offer of Units in the Fund described in this IM not contained in this IM may not be relied upon as having been authorised by the Trustee, the Investment Manager or their advisers.

Forward-looking statements

Certain information contained in this IM constitutes "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "target", "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology.

Furthermore, any projections or other estimates in this IM, 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 "Risks" in Section 6 (*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.

The forward-looking statements included in this IM involve subjective judgment and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, the Trustee and Investment Manager. Actual future events may vary materially from the forward-looking statements and the assumptions on which those statements are based. Given these uncertainties, prospective Investors are cautioned to not place undue reliance on such forward-looking statements.

Any estimate, forecast, projection, feasibility, cash flow or words of a similar nature or meaning in this IM are forward-looking statements and subject to this disclaimer.

Confidentiality

Neither this IM nor any other information provided by the Trustee or Investment Manager 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 IM is strictly prohibited without the written consent of the Trustee. In the event that the recipient does not participate in the Fund, this IM, along with all related materials, must be returned to the Trustee immediately upon demand.

Summary of key documents only

This IM 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 (available upon request from the Trustee). Investments in the Fund are governed by the Constitution for the Fund and associated documents and nothing in this IM limits or qualifies the powers and discretions conferred upon the Trustee and the Investment Manager under those documents. This IM should be read in conjunction with the Constitution and associated documents for the Fund. In the event of any inconsistency between the Constitution and associated documents and this IM, then the Constitution and associated documents will prevail to the extent of the inconsistency.

Independent financial advice

You should obtain independent professional advice specific to your circumstances and requirements from a licensed investment advisor.

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1 Letter to investors from Investment Manager

Dear Investors,

On behalf of the Investment Manager, Loyalize Fund Management Pty Ltd (**Loyalize**), I welcome and thank you for your interest in considering an investment in the Loyalize Mortgage Fund (**Fund**).

An emerging and dynamic property and investment group in Australia, Loyalize is run by a team of experts that have a strong presence in the finance and property industry. Loyalize is dedicated to achieving success for its clients, large and small, with a specific focus on creating value through financial expertise, strategic knowledge and informed selection of investment opportunities in the property sector.

The Fund aims to offer investors investments secured by Australian real property. This is achieved through the Fund making investments in the form of loans selected by us which are secured by first ranking mortgages, second mortgages or investing in preference equity or other forms of fixed income arrangements in Australian real estate or real estate development projects.

The Fund will lend money to third party and property investors and developers related to us that demonstrate an acceptable level of return as determined by us. We will seek to minimise risk exposure to the Fund by imposing lending criteria such as independent valuations and maximum loan to value requirements.

The independent Trustee of the Fund is Vasco Investment Managers Limited (**Vasco**), which holds the Australian Financial Services Licence No. 344486. Vasco has significant experiences in the Asia Pacific region in the management of equity funds, mortgages and real estate debt funds. As an independent trustee, Vasco has been appointed to represent and act in the best interests of the investors and provide regulatory compliance oversight in accordance with the *Corporations Act 2001* (Cth) and other relevant laws and regulations.

This Information Memorandum contains important information about the offers and the risks associated with the Fund which is outlined in Section 6 (*Risk Factors*). Please read this Information Memorandum carefully and in its entirety before making a decision to invest in the Fund. Consultation with a qualified financial adviser is recommended to ensure that an investment in the Fund suits your individual circumstances.

Kind Regards,

Peter Burke

Chairman – Loyalize Investment Committee

2 Summary and key features of the Fund

The table below is a summary of the key features of an investment in the Fund. Potential investors should read the whole of this Information Memorandum, and the relevant Supplementary Information Memorandum, to obtain more detailed information.

The Fund provides investors the opportunity to invest in one or more classes of Units. Each Investment Option will have different rights and obligations. This Information Memorandum relates only to the issue of all Investment Options other than the Pooled Investment Options of the Fund, and should be read in conjunction with specific information about each Investment Option set out in the Supplementary Information Memorandum for that Investment Option. The specific rights of an Investment Option that may differ from, or elaborate on, the information contained in this Information Memorandum will be set out in the relevant Supplementary Information Memorandum. The performance of different Investment Options may also differ depending upon the terms and investments of that Investment Option.

Item	Detail
Fund Name	Loyalize Mortgage Fund
Trustee	Vasco Investment Managers Limited ACN 138 715 009 AFSL 344486
Investment Manager	Loyalize Fund Management Pty Ltd ACN 616 511 589 AFSL 501290
Administration Manager	Vasco Funds Management Pty Ltd ACN 610 512 331
Fund structure	<p>The Fund is an unregistered unit trust established by the Trustee pursuant to the Trust Deed and is governed by Australian law.</p> <p>The Trust has multiple Investment Options, with each Investment Option constituting a separate trust under the Trust Deed. Each Investment Option is a separate loan or pool of loan investments¹. There may be one or more holders of Units of an Investment Option, and a person may hold Units in several Investment Options. Refer to Section 3 (<i>How the Fund works</i>) for more information. Gains, losses, assets and liabilities from one Investment Option will not be shared with other Investment Options.</p>
Objective	<p>The investment objective of the Fund is to generate income returns for investors by making loans to borrowers for the purchase or development of real estate in Australia, secured by first or second ranking mortgages over real property.²</p> <p>The Fund will make Loans only to such borrowers and in such circumstances that meet the Investment Manager's loan selection criteria as disclosed in this document. The Fund may make loans to third parties as well as to its related parties. Loans to third parties and related parties will be made in accordance with the terms set out in the Supplementary Information Memorandum.</p> <p>Details of each Investment Option which invest in a specific Loan are set out in a Supplementary Information Memorandum for that Investment Option.</p> <p>For further information regarding the loan selection criteria, see Section 5 (<i>Investment selection and management process</i>).</p>
Target return	<p>Refer to the relevant Supplementary Information Memorandum for information about the Investment Manager's target return for each Investment Option.</p> <p>The return is only a target and is not guaranteed.</p>
Issue of Units	Final Close Dates will be specified in the Supplementary Information Memorandum.

¹ Pooled Investment Options are discussed in the Information Memorandum for Pooled Investment Options.

² The Fund may also, in certain circumstances make other forms of fixed income investments in property such as preference equity or unsecured loans to property investors or developers on a case by case basis.

Item	Detail
Distribution frequency	<p>Distribution frequencies will differ from Investment Option to Investment Option and will be specified in the Supplementary Information Memorandum.</p> <p>Refer to Section 9 (<i>Distributions</i>) and the relevant Supplementary Information Memorandum for more information.</p>
Target fund raising for an Investment Option	Refer to the relevant Supplementary Information Memorandum for this information.
Security	For each Loan, the Trustee will be granted a first ranking or second ranking registered mortgage over real estate in Australia. Refer to the relevant Supplementary Information Memorandum for more information.
Gearing	The Fund will not borrow from third parties to invest in Loans.
Minimum initial investment	\$500,000 with additional investments in increments of \$100,000. ³
Fund currency	<p>Australian Dollars (AUD) or US Dollars (USD).</p> <p>The Trustee may accept USD investments at its absolute discretion. All amounts in this Information Memorandum are quoted in AUD and where USD applications are accepted, additional disclosure and terms will be provided in the relevant Supplementary Information Memorandum.</p> <p>The financial records of the Fund will be maintained in Australian dollars.</p>
Term of investment	The term of an investment for an Investment Option is set out in the relevant Supplementary Information Memorandum. See Section 10 (<i>Withdrawals from the Fund</i>) for information on withdrawing from the Fund.
Liquidity	Investment Options of the Fund are generally illiquid and a holder of Units must retain their Units until the Loan is repaid and the Investment Option is wound up. See Section 10 (<i>Withdrawals from the Fund</i>) for information on withdrawing from the Fund.
Management fee	Refer to Section 7 (<i>Fees and other costs</i>) and the Supplementary Information Memorandum for more information.
Performance fee	Refer to Section 7 (<i>Fees and other costs</i>) and the Supplementary Information Memorandum for more information.
Other Fund expenses	The Trustee is entitled to charge its trustee's fees and all Fund expenses against the assets of the Fund or a particular Investment Option. All Fund establishment and marketing expenses are also payable from the assets of the Fund or a particular Investment Option. Refer to Section 7 (<i>Fees and other costs</i>) and the Supplementary Information Memorandum for more information. In the event that there are insufficient assets in the Fund to pay the Fund expenses and Trustee fees, the Investment Manager will be required to pay these costs and expenses itself and seek a reimbursement from the assets of the Fund at a later time.
Key risks	<p>Investments in the Fund are subject to varying degrees of risks. Some of the key risks of investing are set out below:</p> <ul style="list-style-type: none"> • investment risk - distributions may or may not be paid and capital may or may not be returned; • default and credit risk - a borrower under a Loan may not be able to pay principal and interest payments due under the Loan; • priority risk - the Fund may invest in Loans which are subordinated to senior lenders. The Fund will only be capable of distributing capital and income payments in respect of a Loan once the senior lenders have been repaid; and • security enforcement risks - the Loans may be secured by a first ranking or second ranking mortgage over real estate and other forms of security.

³ These amounts may be varied by the Trustee in its absolute discretion, subject to the investor meeting the requirements of a Wholesale Client under the Corporations Act.

Item	Detail
	<p>There is a risk that the sale of the security would not be sufficient to cover capital and income repayment obligations to investors or that the sale of the security would take a significant amount of time.</p> <p>Refer to Section 6 (<i>Risks factors</i>) for more information.</p>

3 How the Fund works

3.1 Investment objective

The investment objective of the Fund is to generate income returns for investors by making loans to borrowers for the purchase or development of real estate in Australia, secured by first or second ranking mortgages over the real property. The Fund will make Loans only to such borrowers and in such circumstances that meet the Investment Manager's loan selection criteria as set out in this Information Memorandum.

The Fund may also, in certain circumstances make other forms of fixed income investments in property such as preference equity or unsecured loans to property investors or developers on a case by case basis.

Details of each Loan are set out in a Supplementary Information Memorandum relevant to the Investment Option of which that Loan is an asset.

The Fund may make loans to third parties as well as to its related parties. All loans will be made in accordance with the terms set out in the Supplementary Information Memorandum.

For further information regarding the Fund's investment selection criteria, see Section 5 (*Investment selection criteria and management process*).

3.2 Capital not guaranteed

The Trustee and Investment Manager, and their related bodies corporate, do not guarantee:

- the performance of a Loan or any of the Fund's other investments, or any target return set out in this Information Memorandum or any Supplementary Information Memorandum;
- the value of any asset of the Fund, or all of the Fund's assets as a whole;
- the return or income or capital invested by a holder of a Unit in the Fund; or
- a borrower's payment of any principal or interest repayments of a Loan.

The investments of the Fund do not represent a deposit or other liability of Trustee, the Investment Manager or any of its related bodies corporate, and none of these entities is a bank or subject to prudential supervision by the Australian Prudential Regulation Authority.

3.3 Related party investments and decisions

The Investment Manager is not a related party of the Trustee. The contractual arrangements between the Trustee and the Investment Manager are negotiated at arm's length between the parties. The Trustee may from time-to-time enter into transactions with related entities. For example, the Administration Manager is a related party of the Trustee.

By making an investment in the Fund, Investors acknowledge that the Fund will make investments to related parties of the Investment Manager.

It is not the responsibility of the Trustee to assess the merits of each investment recommended by the Investment Manager, but rather to review that each investment is contemplated by this IM and the Trust Deed and will not conduct any independent review that the loan is otherwise in the interests of investors.

By investing in the Fund, Investors acknowledge that the Investment Manager is responsible for making investments decisions for the Fund and that loans will be made in accordance with the terms set out in the Supplementary Information Memorandum and that investors have made their own independent investigations to satisfy themselves of the benefit of becoming an Investor in the Fund.

Enforcement action procedures, if required, in the event of default on a loan to a SPV will be managed by the Trustee.

3.4 Structure

The Fund is an unregistered unit trust established under, and governed by, Australian law.

Under the Trust Deed, the beneficial title to the Fund's assets and the Fund's liabilities, are segregated into and referable to different Investment Options. A separate Investment Option will generally be issued for each capital raise. Details of the terms of issue of each Investment Option, and the proposed Loan to be made from the capital raised in respect of that Investment Option, are set out in the relevant Supplementary Information Memorandum for that Investment Option.

The Fund also has a number of Pooled Investment Options which invest in a pool of Loans. The Pooled Investment Options facilitate ongoing investment by investors and the Fund into a mixture of different loan assets. Information in relation to the Pooled Investment Options is set out in a separate information memorandum.

The Fund will use the capital raised from a particular Investment Option to make a particular Loan described in the Supplementary Information Memorandum for that Investment Option. The investments of an Investment Option will constitute the assets of that Investment Option and will be segregated from assets of other Investment Options in the Fund as well as from the assets of the Trustee.

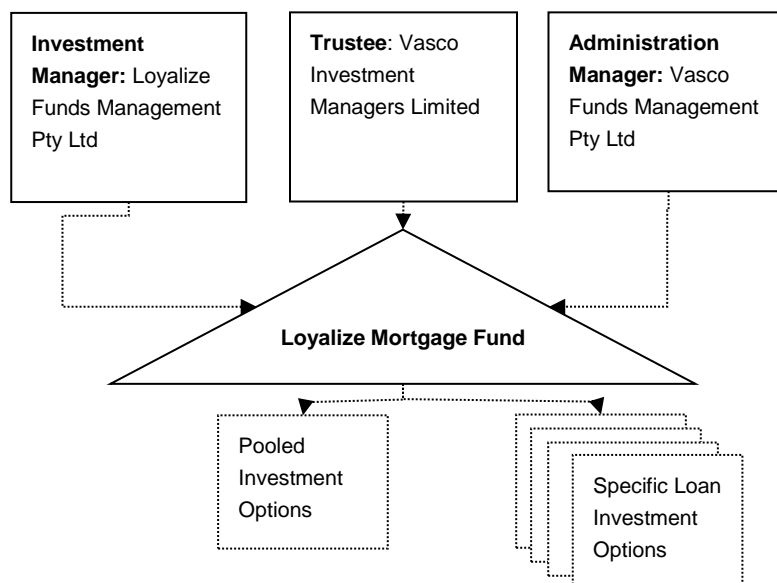
Unless investing in a Pooled Investment Option, each Investment Option's only intended investment will be a single Loan (apart from a bank account for cash receipts). Loans will generally be secured by way of a first or second registered mortgage over real estate. An investor's entitlement to income or capital is based entirely on the number of Units the investor holds in a specific Investment Option and the investments made by the Investment Option. An investor's Units in one Investment Option do not entitle the investor to the income or capital of other Investment Options. In addition, if a loss occurs in a particular Investment Option that loss is quarantined to that Investment Option and will not generally affect investors who hold Units in other Investment Options.

Each Investment Option will be operated as a closed-end investment vehicle with a fixed investment term as specified in the relevant Supplementary Information Memorandum. The Trustee may, in its absolute discretion, extend the term of an Investment Option.

Each Unit in a particular Investment Option gives the holder of a Unit of that Investment Option an entitlement to a share of the capital and income of the assets of that Investment Option, subject to the terms and conditions of the Trust Deed. A Unit holder's risk in and returns will be referable only to the assets of the Investment Option of which they hold Units. Holders of Units in different Investment Options will be treated fairly.

Income may be distributed to holders of Units of an Investment Option as and when principal and interest payments are made under the Loan is repaid and the relevant Investment Option is otherwise terminated.

For more information about the Trustee, the Administration Manager and the Investment Manager, see Section 4 (*Key parties*) of this Information Memorandum.



3.5 Investment process

The Fund will have different Final Close Dates for each Investment Option. The Final Close Date for an Investment Option is set out in the Supplementary Information Memorandum for that Investment Option.

Generally, the amount of capital sought to be raised in respect of each Investment Option correlates to the proposed Loan the Investment Manager intends for the Fund to make along with any establishment costs of that Investment Option. Where insufficient capital is raised in respect of an Investment Option, the Trustee and Investment Manager reserve the right to return application monies paid by investors (without interest) and (where relevant) cancel the establishment of the relevant Investment Option.

Completed Applications will be processed within 10 Business Days of the end of each month up to the Final Close Date. The Trustee reserves the right to process applications earlier at its discretion.

The Trustee reserves the right to evaluate any applications and to reject any or all applications submitted, without giving reasons for the rejection.

A person may hold Units of several Investment Options (i.e., investments may be made in different Investment Options), provided at all times that in respect of each application for Units they are a Wholesale Client.

There may be only one holder of all Units issued in respect of an Investment Option, or there may be multiple Unit holders, depending on the amounts raised under the capital-raising process.

For more information about investing in the Fund, see Section 8 (*How to invest in the Fund*) of this Information Memorandum.

4 Key parties

4.1 The Trustee

- (a) **Vasco Investment Managers Limited (Trustee) and Vasco Funds Management Pty Ltd (Administration Manager) are part of an investment management group that provides responsible entity, trustee and fund administration services to Australian and international investment managers.**

The Vasco team has 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 \$1.5 billion Australian Unity Healthcare Property Trust ARSN 092 755 318 and the \$1.5 billion AIMS AMP Capital Industrial REIT listed on the Singapore Securities Exchange.

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 Golden Age Development Group, Lauders Development Group, China Asset Management (HK), Cyan SIV Emerging Companies Fund, Infrastructure Partners Investment Fund, Vital Healthcare Property Fund, EMR Capital Pty Ltd, Phillip Asset Management Limited and Morgan Stanley Real Estate.

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

The Trustee holds Australian financial services licence (**AFSL**) number 344486.

As the Administration Manager, Vasco Funds Management Pty Ltd will provide administration services to the Fund, including application processing, fund accounting and unit pricing.

- (b) **Governance and compliance**

As the Trustee of the Fund, Vasco is in charge of the overall operation and management of the Fund. Vasco will be guided by the investment objective and parameters of the Fund specified in Section 3.1 (*Investment Objective*) of this Information Memorandum, by the Fund's governing Trust Deed, and by Trustee's duties under general law.

4.2 Investment Manager

Loyalize has entered into an Investment Management Agreement with the Trustee, under which Loyalize has been appointed the investment manager of the Fund and as such is responsible for marketing the Fund and managing the investments of the Fund. The Investment Manager may only be removed by a special resolution of investors in the Fund or in accordance with the terms of the Investment Management Agreement between the Trustee and the Investment Manager.

Loyalize Fund Management describes themselves as:

- An Australian owned investment management company with global expertise in the provision of structured financial solutions for the broader property sector;
- Having significant experience across residential, commercial, and industrial property developments worldwide;
- Striving for excellence in fulfilling the growing financing needs that have been underserved by traditional financial institutions; and
- Focused on forging partnerships and achieving long-term success.



Loyalize Funds Management have noted their key personnel as follows:

Peter Burke, Investment & Risk Management Committee Chairman



Mr Peter Burke has significant experience and expertise in the property and finance industry gained over the past 33 years in his various roles at Australia's top development companies.

Mr Burke's expertise spans across the full spectrum of property development management and project delivery. In the early to mid-2000s, Mr Burke spearheaded developments undertaken by Australand and Stockland as the Senior Development Manager. More recently, Mr Burke has continued to broaden his experience and expertise as a Project Director for both Monash University and Allity. Mr Burke has a focus on risk management and will be integral to Loyalize's risk management strategy.

Peter is currently also the Senior Project Manager for the Goldfield Group. The Goldfield Group is a privately-owned property developer specializing in the development of residential projects throughout Melbourne with over 10 years of experience in residential property development.

Mr Burke was educated at the University of Melbourne and Harvard University.

Jeff Yang, Investment & Risk Management Committee Senior Consultant

Mr Jeff Yang is the Senior Consultant on the Investment & Risk Management Board. As the Chairman of the Shanghai Minqiang Investment Group as well as a holder of an MBA in engineering, Mr Yang brings a myriad of skills and experiences to the Investment & Risk Management Board.

The Shanghai Minqiang Investment Group is a company specialises in real estate development. At its head, Mr Yang has lead the Shanghai Minqiang Investment Group towards completion of an extensive list of development projects, both domestically and internationally. Minqiang's projects completed within China include: the Wanrong Sunshine Court, Lijing Cui Ting, the Mingde International Plaza, the Mingde Grand Hotel Shanghai, Huiyang Square etc. Internationally, Mingqiang has participated in various projects including: Four Points by Sheraton Seattle Airport South (which opened for business in February 2016), the United State's Tacoma Convention Centre Marriot International Hotel (which is currently in construction and is expected to open 2019). Mingqing also has a townhouse development in Allanvale Australia currently under development.

Bill Ling, Investment & Risk Management Committee Senior Consultant

Bill Ling has been appointed as a Senior Consultant to the Investment and Risk Control Committee. Bill has been involved in property development since 2006, and is highly experienced in property development and finance. In this time, he has been involved in more than 10 major projects.

Bill's main business is mortgage broking. He has been director of YL Younger Pty Ltd (trading as DY Home Loans) since 1998. Under his direction and management, the DY Home Loans team has received the lending volume nationwide championship by Choice aggregator for 6 years consecutively. Furthermore, the DY Home Loans team has written nearly 10 billion dollars' worth of residential, commercial and development loans in the past 20 years. Bill is well known and respected in the property financing industry.

Experience of Committee Members

Loyalize Fund Management have described the development projects in which members of its Investment and Risk Management Committee have direct experience as follows:

The Vic Apartments

The construction of a high-rise building on a corner site with significant logistical constraints within Melbourne CBD. The project sales revenue exceeded \$100 million.

Victoria Street Melbourne | Completed | 283 Apartments 18 Storeys



Victory

Victory is a five-storey apartment building located in Brunswick East. This project which comprises 102 apartments is one of the largest in the inner north of Melbourne. The project is currently under construction with 90% of apartments pre-sold.

98 Nicholson Street, Brunswick East | Constructing | 102 Apartments



Canterbury Rise

Canterbury Rise is a community style development located in the Box Hill high school zone. Canterbury Rise comprises 42 townhouses and 21 apartments, representing a diverse mixture of housing. All units were sold in 2015 and the project was completed in 2017.

988 Canterbury Road, Box Hill South | Completed in 2017 | 42 Townhouses + 21 Apartments



Doveton Project

Covering over 5 hectares of land, this project comprises 198 townhouses and 20 apartments is the largest development in Doveton. Coming Soon | 198 Townhouses + 20 Apartments



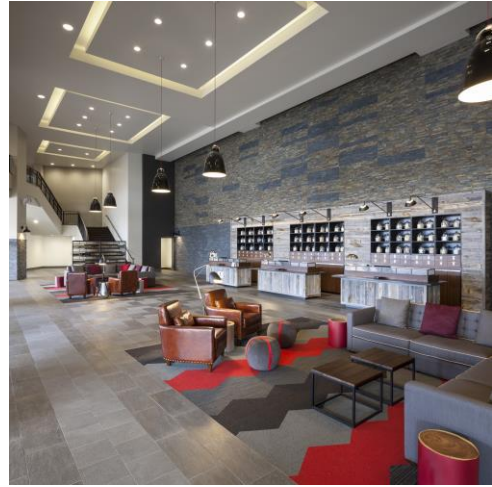
Hui Yang Square Project, China

The Hui Yang Square Project is located in 103,431 square metres of land between Cao Xi Road and Tian Ling East Road within the Xuhui District of Central Shanghai. The high-rise complex is made up of a combination of a publicly accessible marketplace and offices. The annual rent of the project exceeds ¥200 million.



Four Points by Sheraton Seattle Airport South, United States of America

Four Points by Sheraton Seattle Airport South, which opened for business in 2016, is located in the southern most area of Seattle, Washington, a 10-minute drive from Tacoma International Airport. The hotel is 7 stories high and consists of 225 rooms including 10 suites, 6 loft suites, its own banquet hall, a conference room and a Western style restaurant. The hotel also has a swimming pool, a gym and a casino.



Please note the Trustee has not sought to verify any of the above statements in respect of the descriptions the Investment Manager has provided in respect of their business, their personnel or the previous investment activities of the their personnel. Investors are advised to undertake their own due diligence.

5 Investment selection and management process

5.1 Investment/Loan criteria

The Fund will make Loans only to such borrowers and in such circumstances that meet the Investment Manager's loan selection criteria as follows:

Generally, the Fund will make investments in loans which comply with the following investment/Loan criteria:

- All proposed Loans must be for the purpose of purchasing, investing, refinancing or developing of real estate in Australia, secured by first or second ranking mortgage over real property. The real estate may be commercial, industrial, retail or residential in nature;
- All proposed Loans must go through a risk assessment and due diligence process, including in relation to the creditworthiness of a proposed borrower or borrowers;
- All proposed Loans will be in respect of property located in Australia;
- Generally an independent valuation of no more than 12 months old will be obtained for the real estate asset which forms security of the loans prior to release of funding. However, where the Fund is making loans to fund short term or bridging debt, the Investment Manager may choose not to require an independent valuation but instead rely on other means of determining value such as the acquisition price; and
- The term of a proposed Loan may not be less than six months and may not exceed five years.

5.2 Valuations

Loans made by the Fund will be valued at the amount advanced unless a borrower has defaulted and the Trustee considers the Loan to be impaired. The Trustee maintains and complies with a written valuation policy, which is reviewed at least annually or as market circumstances dictate. This policy may be updated from time to time and is available on the Trustee's website at www.vascofm.com.

5.3 Change of investment/Loan criteria

Depending on market conditions and investment opportunities which are available, the Investment Manager reserves the right to change the investment objective and the investment/Loan of the Fund (including potentially investing in other fixed income property investments such as unsecured loans or preference equity).

Details of particular Loans or other investments will be set out in each Supplementary Information Memorandum.

5.4 Arrears and default management

Investors may be affected by any default by a Borrower under a Loan.

Where the Loan is made to a related party of the Investment Manager, the Trustee will administer the arrears and default management procedures. In all other instances, these processes will be managed by the Investment Manager

Where a borrower fails to satisfy a payment by the payment date under a loan agreement, the Trustee will look to enforce the loan according to the enforcement procedures specified in the loan agreement.

The enforcement procedure can involve significant costs, including legal costs and receiver's fees. These costs may be funded as follows:

- Paid by the Fund; or
- Paid by the Investment Manager from its own funds. In which case, the Investment Manager will be able to recover these costs from the proceeds received from the borrower in priority to any payment to Investors; or
- Paid by a third party. In which case, any expenses paid plus any amount agreed with the lender (for example interest or success fees) would be recovered from the proceeds received from the Borrower in priority to any payment to Investors.

6 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. Prospective 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. Prospective 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 or a loss of an investment return relating to their investment in the Fund).

6.1 General risks

6.2 Related party investments and transactions

The Investment Manager is not a related party of the Trustee. The contractual arrangements between the Trustee and the Investment Manager are negotiated at arm's length between the parties. The Trustee may from time-to-time enter into transactions with related entities. For example, the Administration Manager is a related party of the Trustee.

By making an investment in the Fund, Investors acknowledge that the Fund will make investments to related parties of the Investment Manager.

It is not the responsibility of the Trustee to assess the merits of each investment recommended by the Investment Manager, but rather to review that each investment is contemplated by this IM and the Constitution and will not conduct any independent review that the loan is otherwise in the interests. By investing in the Fund, Investors acknowledge that the Investment Manager is responsible for making investments decisions for the Fund and that the investments entered into by the Fund may not be on arm's length terms and that they have made their own independent investigations to satisfy themselves of the benefit of becoming an Investor in the Fund.

Enforcement action procedures, if required, in the event of default on a loan to a borrower will be managed by the Trustee and is set out above in Section 5.4 (*Arrears and default management*).

Investment risk

An investment in the Fund involves investment risk. For example, the value of a Unit holder's investment in the Fund may rise or fall, investment returns may fluctuate, distributions may or may not be paid and a Unit holder's capital may or may not be returned.

While we are unable to eliminate all investment risks, we aim to reduce the impact of risk through our established management procedures such as our lending approval processes and investment selection criteria. See Section 5 (*Investment selection and management process*) for more information.

No guarantee of performance or representations made by Trustee

None of the Trustee, the Investment Manager nor any other person or entity guarantees any income or capital return from the Fund.

Concentration risk

Concentration risk is the risk that the investment portfolio of the Fund may lack a diversification of assets. Investors who invest in Investment Options which only make a single loan investment will not have any diversification of their investment.

Liquidity risk

There are restrictions on withdrawals from the Fund. See Section 10 (*Withdrawals from the Fund*) for more information.

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 Trust Deed and applicable securities laws.

Legal, regulatory and compliance risk

Changes in government legislation, regulation and policies generally could materially adversely affect the operating results of the Fund. Although unable to predict future policy changes, the Trustee intends to manage this risk by monitoring and reacting to any potential regulatory and policy changes.

The operation of a funds management business in Australia is subject to significant regulation by Australian government authorities including without limitation the Australian Securities and Investments Commission, the Australian Transactions Reporting and Analysis Centre, the Foreign Investment Review Board and the Australian Consumer and Competition Commission. There is a risk that the Fund may not comply at all times with its various obligations under government regulations and this may result in the loss of authorisations of the Australian financial services licence held by the Trustee thereby preventing the continued operation of the Fund.

Furthermore, legal risks arise where contracts used by the Fund to make the unsecured loan agreements are found to be defective or unenforceable against counterparties. To manage this risk, the Trustee and Investment Manager will ensure that a reputable legal practitioner is engaged to prepare and finalise legal agreements.

Tax risk

Tax and duty laws, and the regulatory interpretation or enforcement of laws, can change and changes can be adverse. Investors should consider their own circumstances before investing.

Fees & expenses risk

The Fund will incur fees and expenses regardless of whether it is successful. The Fund will pay management and administrations fees whether or not it receives its returns. In addition, the Fund will also be required to pay annual fees to the Trustee, the Administration Manager and the Investment Manager whether the funds raised are fully utilised or not.

There is a risk that the Trustee does not ensure that there is sufficient liquidity maintained in order to meet these and other expenses.

The Investment Manager expects to incur significant costs and expenses in seeking to source, evaluate, structure, negotiate, close, monitor and exit the investment including, but not limited to, financial, legal, technical, regulatory, commercial advisers, engaged to assist the Investment Manager in seeking to source, evaluate, structure, negotiate, close, monitor and exit the investment. There can be no assurance that the Fund will be successful in being able to recover these fees and expenses from a successfully closed investment. These amounts may be significant and could have an adverse impact on the return that investors might otherwise realise.

Operating history risk

The Fund has no operating history upon which investors may base an evaluation of its likely performance. The success of the Fund's investment activities will depend almost entirely on the Investment Manager's ability to carry out the proposed investment strategy successfully. There can be no assurance that the Fund's investments will achieve the targeted rate of return.

Risk associated with key parties

The Trustee and Investment Manager may elect to retire or may be replaced as the Trustee, Investment Manager or the services of key personnel of the Trustee or Investment Manager may become unavailable for any reason. The Fund is relying on the ability of the Investment Manager to achieve the Fund's objectives when investing in Loans. If the Investment Manager were not to continue in its roles, or be replaced by suitably qualified and experienced professionals, the Fund may not be able to achieve its objectives.

There is also a risk that the Investment Manager may fail to identify and adequately manage the investment risks in the Fund's portfolio or execute the investment strategy effectively, thus affecting the ability to pay distributions or

reduce the value of the units. The Investment Manager may only be removed by a special resolution of investors in the Fund or in accordance with the terms of the Investment Management Agreement between the Trustee and the Investment Manager.

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

The Administration Manager and the Investment Manager and any other delegates of the Trustee, may also fail to perform adequately their contractual and other legal obligations.

6.3 Risks relating to Loans

Default and credit risk

There is a risk that a borrower under a Loan does not meet its obligations to pay interest and repay capital or other financial obligations on time under the Loan documentation. This risk may result in the delay to or loss of income or capital to Unit holders.

In the event that a borrower defaults on a loan and recovery action is undertaken, Unit holders may not receive all income distributions for that investment, affecting the rate of return achieved. In addition, the value of the Loan investment might become impaired.

Examples of credit risk include where the borrower is:

- an individual and becomes bankrupt, or dies; or
- a company and becomes insolvent or under external administration.

Priority risk

Where Loans are secured by second and subsequent ranking mortgages, or otherwise subordinated to senior lenders, these Loans are riskier than other loans because they rank behind first or preceding mortgages, or senior loans, in priority. The first ranking mortgage must be paid out before the second mortgage can be paid out and so on, exposing Unit holders in the second and subsequent mortgages to the risk of capital and/or interest loss where there are insufficient funds to pay the Trustee under a Loan.

Security enforcement risks

There are risks that in respect of a security over real estate given in respect of a Loan:

- may not be enforceable at law;
- taking recovery or enforcement action may involve protracted legal processes;
- selling a secured property may take a significant amount of time, including on account of poor market conditions;
- selling a secured property results in additional costs being incurred relating to the sale, such as real estate agent's fees, legal fees and potentially also taxes, which in turn reduce the amounts that could be distributed to Unit holders; or
- the net sale proceeds received in respect of the enforcement of a security would not be sufficient to cover capital and income repayment obligations to the Trustee under the Loan.

These risks may result in the loss of income or capital to Unit holders.

The Investment Manager seeks to manage these risks by:

- obtaining property valuations from reputable valuers before a Loan is made;
- ensuring that all Loan documentation is reviewed by experienced legal counsel;
- setting loan-to-valuation limits in respect of each Loan; and
- managing Loans throughout the course of their term.

Risks associated with changed principal and interest payments

Early repayments by borrowers of a Loan, including the early discharge of a Loan, may impact on the expected returns of the Fund because the normal income and capital payments have been interrupted or have ceased.

We may also elect to extend a Loan past its maturity date (with or without the enforcement of default interest) if it is believed to be in the best interests of Unit holders of the Fund. This extension may be required to provide borrowers with extra time to complete the renewal process or finalise the refinance or repayment of the Loan or to finalise the sale of the security property. Such delays will also impact the expected returns of the Fund.

Risks associated with interest capitalisation

The Investment Manager may recommend a Loan where interest payments on the Loan are capitalised, particularly in relation to a construction or property development loan. This is sometimes referred to as 'pre-paid interest'. Pre-paid or capitalised interest is therefore not funded out of the borrower's ongoing cash flow, and is instead paid out repaid out of the proceeds from the sale of the secured property. Where interest is capitalised, there is a risk that the proceeds that the borrower achieves out of the sale of the secured property may not be sufficient to repay the total loan, which includes both principal and interest.

The Investment Manager will manage this risk by ensuring that lending parameters and conditions, are adjusted to reflect the interest capitalisation feature.

The Fund may also capitalise interest where a Loan falls into arrears. This means that the total amount owed by the borrower increases as the borrower fails to make the required payments under the Loan. The loan is still regarded by the Trustee as being in arrears. Increased liabilities under a Loan increase the risk of default by the borrower. This risk is reduced by the Investment Manager managing Loans throughout the course of their term.

Real estate performance risks

There is a risk that the the real estate over which the Trustee has a mortgage has reduced in value.

Changes in taxation, interest rates and the economic outlook can all have an effect on property market values and could result in:

- reduced sale prices;
- delays in selling (caused by excess supply and low demand);
- reduced ability of borrowers and buyers to obtain finance;
- increased risk of default if pre-sales do not proceed or sales forecasts now make the project less viable for the developer; and
- purchasers who have bought "off the plan" failing to complete.

In addition, value of the real estate over which the Trustee has a mortgage may decrease as a result of damage to a building or other fixture erected on the real estate as a result of fire, tempest, malicious damage, earthquake, etc. (however, these risks will be insured against).

Valuation risk

This is the risk that the valuation of the real estate over which the Fund has a mortgage is inaccurate at the time of making the Loan, or at any other time, so that the amount realised on the sale of the real estate as a result of the Trustee taking enforcement action is less than would have been expected had the valuation been correct.

There is also the risk that a valuer who provides an inaccurate valuation does not have or no longer has adequate professional indemnity insurance to cover the valuation on which the lender relies. In the event that the valuations obtained by purchasers to secure finance are below the purchase price, this may adversely impact their ability to settle.

The Investment Manager seeks to manage this risk by instructing only reputable valuers, and ensuring that they use generally accepted valuation methodologies.

Market risk

There is a risk that the returns from investments in a Loan may be relative less than returns from other investments, and may not move in line with movements in general interest rates.

6.4 Risks associated with Loans made for property development

There are specific risks associated with making Loans for the purpose of developing real estate. Such risks include the following.

Construction and development risk

Where Loans are used for property construction projects, specific risks include the following:

- construction or development costs can exceed budgeted costs and the borrower may be unable to complete the projects unless the borrower can obtain further funds;
- loan funds kept in reserve by the Trustee to complete the projects being insufficient to meet the cost of completion; and
- a change in market conditions could result in the projects' values on completion being worth less than anticipated, or in lower sale rates and prices than expected.

The Investment Manager may manage this risk and its elements by:

- ensuring a guaranteed maximum price building contract from reputable and established builders who have experience in the type of proposed construction to be executed between the builder and borrower;
- ensuring that the projects are employing standard construction techniques and that adequate building insurance cover is in place;
- requiring minimum pre-sales or leasing commitments on the proposed development; and
- monitoring all construction loan draw-downs to ensure that there are always sufficient funds remaining to complete the projects. An independent quantity surveyor or construction cost manager may be appointed prior to the commencement of the projects to verify that there are sufficient funds available to complete the projects and to verify the completion of each stage of construction prior to the draw-down of funds.

The Investment Manager will also require the developer to include a contingency factor on total construction costs in the debt funding required for each project.

There is also a risk that the completion of a development project could be delayed. This may result in capital and income returns to investors also being delayed.

Forecasting risk

The estimated costs of a development project and estimated realisation value for a development project are forecasts only. The costs may be more than estimated and the realisation value may be less than estimated, this may result in lower or no returns to investors as a result of a default by a project developer. Due to various risks and uncertainties, including those set out in this Information Memorandum, 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, the Investment Manager and/or their advisers.

Planning risk

It may be more difficult than anticipated, or even impossible, to obtain the requisite government or regulatory approvals and permits for a development project and this may increase costs and cause delays to a development project. In addition, a requirement of a government or semi-government department or authority (including relating to environmental, archaeological, planning or servicing issues) may result in a reduced yield or delay in the property development projects which may impact on the ability of the property development projects to generate a profit.

Contractor & third party risk

Contractors and third parties engaged to perform works on a development project could become insolvent or default under their contracts which may lead to delays or impact on the viability of a development project.

Risks associated with lending secured by vacant land

There are particular risks associated with a Loan that involves vacant land and properties that are not able to generate an income, particularly where a default occurs as there is no income being generated or able to be generated to assist in rectifying the default.

The Investment Manager will seek mitigate this risk by having reduced and tailored loan-to-value valuation ratios, as described in Section 5.1 (*Investment/Loan criteria*).

6.5 Other risks

It is important to note that not all risks can be foreseen. It is therefore not possible for the Trustee or Investment Manager to protect the value of the Fund's investments 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.

7 Fees and other costs

7.1 Payment of fees and other costs

The Investment Manager has agreed to pay all fees and costs of the Fund until such time as, in the opinion of the Trustee, the Fund is in a position to pay these fees and expenses directly, and may be reimbursed at some point in the future.

7.2 Investor fees and expenses

The following table sets out the fees and costs that may be charged to the Fund or each Investment Option, under the Trust Deed:

Type of fee or expense	Detail
Investment management fee and Performance fees The fee is charged to each Investment Option	Refer to the relevant Supplementary Information Memorandum for information on the investment management fees and performance fees charged by the Investment Manager in relation to each Investment Option.
Termination Fee or Trustee Replacement Fee These fees are charged to the Fund* for termination of the Fund or where the Trustee is replaced	<p>Termination \$9,500</p> <p>Replacement of Trustee \$9,500 plus where the Trustee has been appointed for a term of less than 3 years, an amount calculated as the higher of the following:</p> <ul style="list-style-type: none"> (a) 0.10% per annum of the Net Assets of the Fund; or (b) \$25,000 per annum. <p>for the period commencing on the replacement of the Trustee and ending on the date 36 months after the commencement of the Fund.</p>
Trustee and administration fees These fees are charged to the Fund	<p>The Trustee will charge the following fees:</p> <ul style="list-style-type: none"> (a) an establishment fee of \$19,500 (exclusive of GST); and (b) a trustee and custodian fee, subject to a minimum annual fee of \$25,000 (exclusive of GST) per annum, of: <ul style="list-style-type: none"> (i) 0.10% per annum of the Fund's gross asset value on amounts up to \$100 million; plus (ii) 0.05% per annum of the Fund's gross asset value on amounts greater than \$100 million but less than \$200 million; plus (iii) 0.03% per annum of the Fund's gross asset value on amounts greater than \$200 million. <p>The trustee and custodian fee accrues and is calculated monthly from execution of the Trust Deed and is payable to the Trustee monthly in arrears.</p> <p>The Administration Manager will charge an administration fee of up to \$35,000 (exclusive of GST) per annum, paid monthly in arrears, on a Fund level where the Fund size is below \$20 million or the Fund has less than 25 investors. The administration fee will increase to up to \$40,000 (exclusive of GST) per annum where the Fund size is greater than \$20 million or where there are more than 25 investors.</p>

Type of fee or expense	Detail
	The Fund will also charge \$10,000 (exclusive of GST) per annum for each additional Investment Option. All administration fees are subject to an increase of 5% per annum on the 1 January of each year.
Investment Option establishment fees and costs These fees and expenses are charged to each Investment Option	The fees and costs associated with the establishment of the Fund are paid pro-rata from the assets of the relevant Investment Option, and include all Fund establishment and marketing expenses. Investment Option establishment fees and expenses may be charged to the particular Investment Option.
Other Fund expenses The expenses charged to the Fund* or Investment Option as determined by the Trustee	<p>In addition to the fees and other costs set out above, the Trustee may pay, out of the assets of the Fund, a trustee fee and all expenses related to the operation, administration, marketing and distribution of the Fund. This includes all fees, costs, and expenses of the Fund, the Trustee, the Administration Manager and the Investment Manager 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, 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 Unit holders 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).</p> <p>The Investment Manager intends to pay the Trustee's fees and costs and expenses of Fund from its Performance Fee. However, the Investment Manager and Trustee reserves the right to recover extraordinary Fund expenses (e.g. non day-to-day expenses) such as litigation expenses, recovery costs, Unit holder meeting costs, costs associated with enforcement directly from the assets of the Fund.</p> <p>Refer to the relevant Supplementary Information Memorandum for more information.</p>

*** All fund fees will be apportioned pro-rata across the gross asset value of each unit class.**

7.3 Changes to fees and other costs

The Trustee may change the fees and expenses charged to investors by giving written notice to investors, subject to any fee limits in the Trust Deed.

The Trustee may agree with any Unit holder any fee arrangements with that Unit holder which are different to the fees set out in Section 7.1 (*Payment of fees and other costs*).

7.4 Waiver, deferral or rebate of fees

The Trustee or Investment Manager may accept lower fees and expenses than it is entitled to receive, or may defer payment of those fees and expenses for any time. If payment is deferred, then the fee will accrue until paid. In addition, the Investment Manager or Trustee may waive, negotiate or rebate their fees, for example, in the case of a large investment amount.

7.5 Borrower fees and costs

The Investment Manager or its related entities may receive other fees and costs directly from borrowers, including loan application and assessment fees and ongoing loan management fees, which will not form part of the assets of the Fund. The fees and costs payable for a borrower under a loan will be set out in the Supplementary Information Memorandum for the relevant loan investment. Investors will not be entitled to any part of these fees. These fees and costs may include the following:

Loan application and ongoing management fees

- The Investment Manager or its related entities may charge the borrower an establishment and ongoing fee according to the complexity and competitiveness of the loan. These fees, which may be shared with introducing brokers, are to pay for the cost of servicing the loan sourcing network, advertising, the loan application assessment and approval process, instructing valuers and solicitors and advancing the loan.

- The Investment Manager or its related entities may receive a brokerage fee, which is paid by the borrower in addition to the loan interest rate, where the loan is directly sourced by the Investment Manager.

Renewal fee

This fee contributes to the cost of reviewing the performance of the borrower, obtaining up-to-date financial statements, assessment and credit processes, instructing valuers and solicitors and corresponding with investors about their investments.

Other loan expense recovery

The Investment Manager or its related entities may charge the borrower fees for attending to dealings involving secured properties during the term of a loan, such as where it is necessary to produce a title to a property for dealings or to arrange for a partial discharge of a mortgage.

Project management and default management costs

The Investment Manager or its related entities may charge the borrower fees and costs for dealing with managing loans in arrears or default. In addition, the Investment Manager or its related entities may charge project management, development fees and costs and other similar charges, where it is required to undertake default management work-out programmes for construction and development loans.

8 How to invest in the Fund

8.1 General

Investors must complete the Application Form attached to or accompanying this Information Memorandum and provide the required customer identification material listed in that form.

Before making a decision to subscribe for any Units, potential investors should read this Information Memorandum together with the relevant Supplementary Information Memorandum.

A copy of the executed Application Form must be emailed to the Investment Manager at service@loyalizefund.com.au, with the original and supporting material to follow.

Investors please note that:

- only once the Application Form is received by the Trustee will it be considered for processing;
- the minimum investment amount is \$500,000, unless otherwise agreed by the Trustee;
- the offer of subscription for Units is expressly restricted to Wholesale Clients. By lodging an application for Units in respect of the offer contained in this Information Memorandum, the prospective investor declares and warrants to the Fund that they are and will remain a Wholesale Client;
- the Trustee has the discretion to accept applications of less than \$500,000, provided that the applicant is a Wholesale Client;
- in addition to the client identification material and documents required to be sent with an investor's Application Form, the Trustee may require further information or documents from an investor at any time in order to satisfy obligations under anti-money laundering and counter terrorism financing legislation; and
- the Trustee may reject an investor's application for investment in its absolute discretion.

8.2 Payment

The Trustee can only accept electronic funds transfers from a bank, building society or credit union account in the name of the investor. Cash or cheque payments will not be accepted.

The bank account details for the Fund are contained in the Application Form.

8.3 Issue price

The initial issue price of Units for the first capital raising will be \$1.00 per Unit unless otherwise determined by the Trustee. The issue price of Units for subsequent capital raisings will be based on the net asset value of the Fund.

9 Distributions

The Trustee intends to distribute to Unit holders all net distributable income on a quarterly basis.

Under the Trust Deed, a Unit holder's distribution entitlement for each Unit is based on the number of days the Unit holder held the relevant Unit during the distribution period. The Trustee may change the distribution frequency by giving at least 30 days prior notice to Unit holders.

It is generally expected that where distributions are calculated on the last business day of each financial year, Unit holders should allow up to 60 business days after the date which distributions are calculated to pay distributions to Unit holders. Where distributions are calculated earlier than the end of the financial year, Unit holders should allow up to 30 business days after the date which distributions are calculated to pay distributions to Unit holders.

Distribution payments will be made by direct credit to a Unit holder's nominated account with a financial institution.

No distribution payments will be made to third parties or by cheque.

Investors may not reinvest distributions, unless the Trustee otherwise determines.

Distributions are dependent on the borrower or borrowers meeting their obligations under the documentation for the Loans. None of the Trustee, the Investment Manager or their related parties, officers, employees, consultants, advisers or agents guarantees the payment of, or amount of, any distribution.

10 Withdrawals from the Fund

10.1 Minimum Term

Some Investment Options will provide for a minimum term, being the amount of time investors need to remain in the Fund before being provided the opportunity to withdraw (**Minimum Term**).

To withdraw an investment where an Investment Option provides for a Minimum Term, investors must provide a Withdrawal Form at least 6 months prior to the end of the Minimum Term. For example, if an investor would like to withdraw their Units on the 24th month of their investment, they would need to provide a Withdrawal Form to the Trustee by no later than the end of the 18th month of their investment.

On receipt of the Withdrawal Form, the Trustee will redeem investors Units subject to available liquidity on a calendar quarterly basis and pro-rata with all other Investors who have also submitted a valid Withdrawal Form prior to the end of the calendar quarter.

Investors should note that the Trustee may suspend redemptions or postpone or delay the payment of redemptions or that their Units may be compulsorily redeemed by the Trustee in certain circumstances specified in the Trust Deed. Investors should also note that where there is insufficient liquidity within the Investment Option, it may not be possible to redeem investors who have made a withdrawal request.

Where redemptions are not possible or the Investment Opportunity does not provide for redemptions, the Investment Manager may, but is not obligated to, arrange for a third party or a related party to purchase the Units held by the investor seeking to redeem. Units which are transferred by purchase and sale, may not be transferred at the prevailing withdrawal price and investors' returns may be reduced if they agree to sell their Units to a third party.

10.2 Withdrawal price

The withdrawal price of Units will be based on the net asset value of the Fund. The withdrawal will generally be \$1.00, unless the net asset value of the Fund is decreased due to a reduction in the value of Loans (such as due to the impairment of Loans or capital loss in respect of Loans).

11 Taxation information

The investors must take full and sole responsibility for the associated taxation implications arising from an investment in the Fund. This includes any change in the taxation implications arising during the term of their investment. Therefore, it is recommended that investors obtain their own professional and independent taxation advice before investing in the Fund.

Investors should seek their own advice about taxation of their distributions from the Fund.

11.1 Tax file number and Australian business number requirements – Australian investors only

In certain cases, the Fund will be required to obtain a Tax File Number (**TFN**) or Australian Business Number (**ABN**) from its investors. It is not compulsory for an Investor to quote a TFN, claim a valid exemption for providing a TFN, or provide an ABN (in certain circumstances). However, failure to obtain a valid TFN or ABN from investors will result in the Fund being required to withhold at the top marginal income tax rate (currently 47%) with respect to distributions to the respective investor (which may be creditable in their tax return).

11.2 Non-resident investors

Australian tax law imposes obligations on the Fund to withhold tax on certain distribution components paid to non-residents for Australian tax purposes ('withholding tax')

When an investor of the Fund is not an Australian resident for tax purposes, 10% withholding tax is likely to be deducted from any Australian sourced interest income they receive from the Fund. This will apply to both cash distributions and distributions which are reinvested as additional Units in the Fund.

Non-resident investors may also be subject to tax in the country of their residence (but may obtain a credit for Australian withholding tax paid).

12 Other information

12.1 Electronic instructions

Investors can provide instructions on their account and investment to the Trustee by electronic communications, via email, subject to the Trustee's discretion to require original documentation.

In respect of electronic instructions, the Trustee will not accept an instruction unless it is accompanied by the scanned signature(s) of the investor(s).

The Trustee (and its related parties, officers, employees, consultants, advisers and agents) will not be responsible for any loss or delay that results from a transmission not being received by the Trustee and will only process electronic instructions received in full and signed by authorised signatories of the investor.

Only instructions received from an investor or a person authorised by the investor will be accepted by the Trustee. Investors must comply with any security or verification procedures required by the Trustee from time to time.

The Trustee and its related parties, officers, employees, consultants, advisers and agents will assume that any instruction received in respect of an investor's investment has been authorised by the investor, and the Trustee and its related parties, officers, employees, consultants, advisers and agents will not investigate or confirm that authority (unless the Trustee is actually aware that the instruction was not authorised).

The Trustee may refuse to act on any instruction until the validity of the instructions have been confirmed, and the Trustee (and its related parties, officers, employees, consultants, advisers and agents) will not have any liability to the investor or any other person for any consequences resulting from not acting on the instruction.

If an investor chooses to provide electronic instructions, the investor releases the Trustee and its related parties, officers, employees, consultants, advisers and agents from any claims and indemnifies those parties against all costs, expenses, losses, liabilities or claims arising from any payment or action those parties make based on instructions (even if not genuine) that any of those parties receive and which they reasonably believe are genuine, including as a result of gross negligence or wilful default by any of those parties.

Each investor also agrees that neither the investor, nor anyone claiming through the investor, has any claim against the Trustee and its related parties, officers, employees, consultants, advisers and agents in relation to acting on instructions received (authorised by the investor or otherwise).

Please be careful. There is a risk that fraudulent requests can be made by someone who has access to an investor's account information.

The Trustee may vary the conditions of service of any communications at any time by providing notice, either in writing, by email or other electronic communication.

12.2 Related party investments and transactions

Related parties of the Trustee, including employees, family, friends and associated affiliates, may invest in the Fund on the same terms as other investors in the Fund.

A Loan made by the Fund may be provided to a related party of the Investment Manager. The Fund may make loans to third parties as well as to its related parties.

The Trustee provides no guarantee that any loans entered into will be negotiated on arms-length terms.

It is not the responsibility of the Trustee to assess the merits of each investment recommended by the Investment Manager, but rather to review that each investment is contemplated by this IM, any relevant Supplementary Information Memorandum and the Trust Deed and will not conduct any independent review that the loan is otherwise in the interests of unitholders.

By investing in the Fund, Investors acknowledge that the Investment Manager is responsible for making investments decisions for the Fund and that loans will be made in accordance with the terms set out in the Supplementary Information Memorandum and that investors have made their own independent investigations to satisfy themselves of the benefit of becoming an Investor in the Fund.

Under the Trust Deed, the Trustee may appoint any of their related entities to provide services and to perform functions in relation to the Fund, including acting as their delegate. The Trustee may also enter into financial or other transactions with related entities in relation to the assets of the Fund and may sell assets or purchase assets from a related entity. Such arrangements will be based on arm's length commercial terms.

The Trustee may be paid a fee for work performed in connection with the Fund in its personal capacity and not in its capacity as the trustee of the Fund. The Trustee may retain any such fee for its own purposes and is not required to account for the fee to the Fund or to Unit holders.

In the course of managing the Fund, the Trustee may face conflicts in respect of their duties in relation to the Fund, related funds and their own respective interests. The Trustee has policies and procedures in place to manage these appropriately.

The Trustee and their related parties may engage in related party transactions provided such transactions are in the best interest of investors.

12.3 Privacy policy

In applying to invest, you are providing the Trustee and the Investment Manager with certain personal details (your name, address etc.). The Trustee uses this information to establish and manage that investment for you.

Under the *Privacy Act 1988* (Cth), you can access personal information about you held by the Trustee, except in limited circumstances. Please let the Trustee know if you think the information is inaccurate, incomplete or out of date. You can also tell the Trustee at any time not to pass on your personal information by advising it in writing.

If you do not provide the Trustee with your contact details and other information, then it may not be able to process your application to invest.

Under various laws and regulatory requirements, the Trustee may have to pass-on certain information to other organisations, such as the Australian Tax Office or the Australian Transaction Reports and Analysis Centre (AUSTRAC).

By applying to invest, you give the Trustee permission to pass information it holds about you to other companies which are involved in helping it administer the Fund, or where they require it for the purposes of compliance with

AML/CTF law or in connection with the holding of Application Money. The Trustee may also use your information to provide you with details of future investment offers made by it or the Investment Manager.

12.4 Trust Deed

The Fund's Trust Deed sets out the terms and conditions under which it operates, as well as many of the rights, liabilities, duties and obligations of investors and the Trustee. It also sets out the manner in which Unit holder meetings will be convened and conducted. The Trustee may amend or change the Trust Deed in accordance with the Trust Deed.

Some key terms of the Trust Deed are described below. A potential investor, and a Unit holder, may obtain a copy of the Trust Deed upon request to the Trustee.

(a) Investment Options

The Trustee has the power to create and issue Investment Options. Each Investment Option has segregated assets and liabilities and constitutes a separate trust under the Trust Deed. See Section 3.3 (*Structure*) for more information.

(b) Trustee's role, obligations and rights

The Trustee's duties and obligations to investors are imposed, and functions and powers conferred, by the Trust Deed, the Corporations Act (where relevant) and general law.

Examples of the Trustee's powers include acquiring and disposing of the Fund's assets, entering into agreements, operating accounts, and raising money.

(c) Trustee's indemnity and limitation of liability

The Trustee, as the trustee of the Fund, has the right to be indemnified out of the assets of the Fund on a full indemnity basis in respect of any matter, unless it has acted negligently, dishonestly or fraudulently.

Except in the case of fraud, gross negligence, breach of duty or trust, the Trustee will not be liable to an investor.

(d) Liability of Unit holders

Generally, the liability of Unit holders is limited to the amount unpaid (if any) of the issue price of the Units they hold.

12.5 Investment Management Agreement

The Trustee and Investment Manager have entered into an investment management agreement (**IMA**). Under the terms of the IMA:

- (a) the Trustee appoints the Investment Manager to promote and distribute the Fund, source investments for the Fund and manage the investments of the Fund;
- (b) the Trustee agrees with the Investment Manager to manage the Fund in accordance with relevant laws and the terms of the Trust Deed;
- (c) the Investment Manager agrees to provide regular reporting to the Trustee and be subject to the regular monitoring of the Trustee. The Investment Manager also agrees to provide proper instructions for the making of investments in the Fund;
- (d) the fees and expenses payable to the Investment Manager and Trustee are specified; and
- (e) terms are set out for the termination of the Investment Manager and the Trustee including where either party has breached the IMA, becomes insolvent or on notice where the minimum appointment period for the Trustee has been satisfied.

Investors please note that under the IMA, Loyalize, as the investment manager of the Fund cannot be replaced unless where it has acted in breach of the IMA, becomes insolvent, has breached relevant laws, and ceases to

carry on a funds management business or where Loyalize or its directors and officers have been charged with dishonesty, fraud or illegal conduct.

12.6 Change in investment manager

Subject to the Corporations Act and anything else in this Trust Deed, if the Trustee has appointed an investment manager, the Investment Manager may only be removed as the investment manager of the Fund by Special Resolution or in accordance with the terms of the investment management agreement between the Trustee and the investment manager.

12.7 Reporting

The Trustee 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, prepared by the Investment Manager.

On an annual basis, financial statements will be provided to investors as soon as practicable after the end of the financial year.

Investors may not disclose information contained in any report without the consent of the Trustee or as required by law.

12.8 Anti-money laundering legislation

As a part of the application, investors will be required to provide client identification materials to comply with Anti-money laundering and counter terrorism financing legislation. In addition to the client identification material and documents required to be sent with an investor's Application Form, the Trustee may require further information or documentation from an investor at any time in order to satisfy obligations under anti-money laundering and counter terrorism financing legislation.

12.9 Common Reporting Standards (CRS)

Common Reporting Standards (**CRS**) is the single global standard set by the Organisation for Economic Co-operation and Development (**OECD**) for the automatic exchange of information with revenue authorities for tax non-residents that invest in certain financial accounts. The standard covers both the identification of tax non-residents and reporting on the applicable financial accounts. The Trustee will be a 'Reporting Financial Institution' under CRS and intends to comply with its CRS obligations under any relevant Australian laws and regulations, including obtaining and disclosing information about certain investors to the ATO or other foreign tax authorities as required. To facilitate these disclosures, Investors will be required to provide certain information such as that relating to their country of tax residence and their relevant taxpayer identification number (if applicable).

The CRS regime took effect on 1 July 2017.

12.10 Complaints

Complaints can be submitted to Vasco's Complaints Officer at the following address:

Complaints Officer
Vasco Investment Managers Limited
Level 5, 488 Bourke Street
Melbourne VIC 3000
Australia

All complaints will be dealt with in a timely manner and in accordance with Vasco's complaints resolution policy for wholesale investment funds. Wholesale investors do not have the same recourse to complain to the external dispute resolution service which Vasco is a member of as retail investors.

13 Glossary

In this Information Memorandum, the following terms have the following meanings unless the context otherwise requires.

Term	Meaning
AFSL	means Australian financial services licence issued by ASIC under the Corporations Act
Application Form	means the application form for interests in the Fund, attached to or accompanying this Information Memorandum, the form of which is determined by the Trustee from time to time
ASIC	means the Australian Securities and Investments Commission
Investment Option	means a class of Units in the Fund
Corporations Act	means the <i>Corporations Act</i> 2001 (Cth)
Final Close Date	means the date of the close of the offer of Units in respect of an Investment Option, as determined by the Investment Manager in its absolute discretion
Fund	means the Loyalize Mortgage Fund established by the Trust Deed
Information Memorandum	means this document
Loan	means a loan made by the Fund
Minimum Term	means the minimum period during which the investors' investments cannot be withdrawn from the Fund
Non-Pooled Investment Options	means Investment Options of the Fund except for the Pooled Investment Options
Pooled Investment Options	means the two Investment Options of the Fund being the Standard Pooled Investment Option and the High Yield Pooled Investment Option for investors to choose
Retail Client	has the same meaning as 'retail client' given by section 761G of the Corporations Act
Special resolution	has the meaning given to that expression in the Corporations Act
Supplementary Information Memorandum	means a supplementary information memorandum issued by the Trustee in respect of each Investment Option, which accompanies and is to be read in conjunction with this Information Memorandum
Trustee	means the trustee of the Fund being, at the time of this Information Memorandum, Vasco Investment Managers Limited ACN 138 715 009.
Trust Deed	means the trust deed for the Fund dated on 22 May 2018, as amended, varied or replaced from time to time
Unit	means a unit in the Fund, with such rights and obligations attaching thereto as set out in the Trust Deed
Wholesale Client	has the same meaning as 'wholesale client' given by section 761G of the Corporations Act

Term	Meaning
Withdrawal Form	means a form must be provided to the Trustee by an investor if the investor wishes to withdraw an investment prior to the end of the Minimum Term of an Investment Option

14 Directory

Trustee

Vasco Investment Managers Limited
(ACN 138 715 009)
Level 5, 488 Bourke Street, Melbourne, Victoria 3000, Australia

Telephone: +61 3 8352 7120
Facsimile: +61 3 8352 7199
Email: info@vasco.com
Website: www.vascofm.com

Administration Manager

Vasco Funds Management Pty Ltd
(ACN 610 512 331)
Level 5, 488 Bourke Street, Melbourne, Victoria 3000, Australia

Telephone: +61 3 8352 7120
Facsimile: +61 3 8352 7199
Email: info@vasco.com
Website: www.vascofm.com

Investment Manager

Loyalize Fund Management Pty Ltd
(ACN 616 511 589)
Suite 2A, Ground Floor, 990 Whitehorse Road, Box Hill, Victoria 3128,
Australia

Telephone: +61 3 9890 3862
Facsimile: +61 3 9890 6933
Email: service@loyalize.com.au

Loyalize Mortgage Fund Kealba Development Project

Supplementary Information Memorandum

A supplementary information memorandum regarding Investment Option 1 Units in the Loyalize Mortgage Fund

28 May 2018

Trustee: Vasco Investment Managers Limited ACN 138 715 009 AFSL 344486

Investment Manager: Loyalize Fund Management Pty Ltd ACN 616 511 589 AFSL 501290

IMPORTANT INFORMATION

This Supplementary Information Memorandum (**Supplementary Information Memorandum**) is issued by Vasco Investment Managers Limited ACN 138 715 009 AFSL 344486 (**Vasco, Trustee, we, us, or our**), the trustee of the Loyalize Mortgage Fund (**Fund**). Loyalize Fund Management Pty Ltd ACN 616 511 589 AFSL 501290 (**Loyalize or Investment Manager**) is the investment manager of the Fund.

This Supplementary Information provides specific information about the terms of issue of Investment Option 1 Units and the Loan made from assets of the Investment Option 1 Units.

This Supplementary Information Memorandum supplements, and is to be read in conjunction with, the Information Memorandum for the Fund issued on or about 28 May 2018.

This Supplementary Information Memorandum is not and is not required to be a Supplementary Product Disclosure Statement (as defined under the Corporations Act) and is not lodged with or required to be lodged with ASIC.

This Supplementary Information Memorandum is provided to persons who have received, and on the same basis as the issue and receipt of, the Information Memorandum. It is only relevant for persons who are interested in subscribing for Investment Option 1 Units.

Before making a decision to subscribe for Investment Option 1 Units, potential investors should read this Supplementary Information Memorandum together with the Information Memorandum. In particular, potential investors should be aware that an interest in the Fund is subject to a risk of loss of capital and/or income, and potential investors should consider the risk factors outlined in Section 6 (*Risks factors*) of the Information Memorandum that could affect the performance of an investment in the Fund

Unless otherwise defined in this Supplementary Information Memorandum or the context otherwise requires, words and phrases having a defined meaning in the Information Memorandum have the same meaning in this Supplementary Information Memorandum.

1 Summary of Investment Option 1 Unit terms of issue

The table below shows the key features of an investment in Investment Option 1 Units. This information should be read in conjunction with the Information Memorandum and the Trust Deed.

Investment Option 1 is an investment in a loan made to a related party of the Investment Manager. Investors acknowledge that the Investment Manager is responsible for making investments decisions for the Fund and that the loan will be made in accordance with the terms set out in this Supplementary Information Memorandum and that investors have made their own independent investigations to satisfy themselves of the benefits of investing in this Investment Option.

Item	Detail
Investment Option of Units	Investment Option 1 Units
Investment details <i>(refer to Section 2 for further information)</i>	Kealba Development Project
Target fund raising	\$10,000,000 ⁴
Opening and closing dates for the issue of Units⁵	Opening date: 28 May 2018 Final Close date: 30 September 2018
Target return	9.5% per annum for the first two years (before tax but after deduction of fees and expenses of the Fund and Investment Option). ⁶
Investment term	2 years, unless extended by the Fund on the basis that the Loan is renewed for a further period of 6 months. The investment term may be extended by 6 months or terminated 6 months prior to the expiry of the investment term subject to the minimum term and interest requirements of the Loan being met. Capital and any unpaid interest will be paid back to investors at the end of the term (or any extension thereof).
Investments of the Investment Option	The assets of the Investment Option will comprise: <ul style="list-style-type: none">(a) a Loan on terms summarised in Section 2.2 (<i>Summary of Loan terms</i>) of this Supplementary Information Memorandum; and(b) a bank account comprising cash moneys of the Investment Option, including principal and interest payments made under the Loan pending the distribution of net distributable income to holders of Investment Option 1 Units in accordance with the requirements of the Trust Deed.

⁴ The Trustee and Investment Manager reserve the right to raise additional capital in respect of this Investment Options above the target capital raising amount. The Trustee and Investment Manager may also decide to proceed with raising capital with respect to other Investment Options if the target capital raising amount for this Investment Option is not met.

⁵ The closing date may be extended at the discretion of the Trustee but up to one month. The Trustee will process completed Applications within 10 Business Days of the end of each month up to the Final Close date.

⁶ This return is a target only and is not guaranteed.

Item	Detail
Minimum subscription	\$500,000 (unless the Trustee or Investment Manager agrees to accept a lower amount) with additional investments in increments of \$100,000 (unless the Trustee agrees to accept a lower amount).
Fund fees and expenses	As outlined in Section 7 (<i>Fees and other costs</i>) of the Information Memorandum. Please note all fund fees will be apportioned pro-rata across the gross asset value of each unit class.
Investment Option fees	<p>Investment management fee</p> <p>Nil</p> <p>Performance fee</p> <p>The Investment Manager is entitled to a performance fee payable out of the assets of the Investment Option equal to all excess returns above the target return (if any). The performance fee is paid out of the assets of the Investment Option as and when income in respect of the Investment Option is received by the Fund.</p>
Investment Option expenses	<p>Expenses of or referable in whole or in part to an Investment Option will be paid out of the assets of the Investment Option. It is anticipated that Investment Option expenses include expenses of the Loan and any enforcement of the Loan, as well as the share of Fund-level expenses that the Trustee determines should be allocated to the Investment Option.</p> <p>The day-to-day expenses will be covered by the Investment Manager. Extraordinary expenses such as enforcement expenses may be paid out of the assets of the Investment Option and may reduce returns to investors if the Loan is not fully repaid.</p> <p>See Information Memorandum for further information.</p>
Income distributions	<p>Interest payments will be distributed quarterly to holders of this Investment Option.</p> <p>Distributions are dependent on the borrower or borrowers meeting their obligations under the Loan documentation.</p>
Security	<p>First registered mortgage over real estate known as 27 Driscolls Road, Kealba, Victoria (Secured Property).</p> <p>See Section 2 (<i>Kealba Development Project</i>) of this Supplementary Information Memorandum for further information.</p>
Other important information	<p>The Secured Property is situated at 27 Driscolls Road, Kealba, Victoria.</p> <p>The development is a proposed re-development of a 6 hectare former school site as a new residential community comprising of townhouses (1, 2 and 3 storey) and low rise apartments (up to 3 storeys) within a landscaped environment. A development yield of around 220 to 240 dwellings in total is targeted subject to approvals.</p> <p>The contract price of the Secured Property is \$24,165,000. A valuation has been undertaken to confirm the value. Based on the contract price of the Secured Property, the loan-to-value ratio is 41.4%.</p>

2 Kealba Development Project

2.1 Project summary

- (a) Goldfield Management Group Pty Ltd ACN 604 878 266 has been engaged to re-develop a 60,671-square metre former school site located at **27 Driscolls Rd, Kealba, VIC** as a new residential community comprising of townhouses (1, 2 and 3 storey) and low rise apartments (up to 3 storeys) within a landscaped environment (**Kealba Development Project**). A development yield of around 220 to 240 dwellings in total is targeted subject to approvals.
- (b) The Kealba Development Project will provide a range of residential built form products to the market that are currently under supplied or not on offer in this well-established area. The Kealba development project has the opportunity of delivering a diverse range of housing product and price points to provide options to suit a range of buyers.
- (c) Highlights of the Kealba Development Project include:
 - (i) situated on the fringes of the Airport West Employment Cluster as well as being proximate to the Sunshine Employment Cluster both identified in Plan Melbourne as areas ideally suited to significant urban renewal and infrastructure upgrades;
 - (ii) a range of housing types to suit a variety of purchasers, including owner occupier families, downsizers, first home buyers and move-up buyers from the local area, local investors and offshore investors;
 - (iii) close proximity (including potential frontages) to existing adjoining parkland in addition to new open space areas and tree-lined boulevards;
 - (iv) the aspirational opportunity to live in a masterplanned residential development that will engender its own high value character;
 - (v) availability of existing public transport services including local bus routes on both Driscolls Rd and Sunshine Ave adjoining the site and connecting to the Keilor Plains Railway station (2.5 km) allowing for convenient commuting for the residents of the project;
 - (vi) proximity to Melbourne Airport, Western General Hospital and Victoria University St Albans and Sunshine Campuses all located within a 7 km radius; and
 - (vii) excellent transport links to and from the Western Ring Road and Calder and Tullamarine Freeways all within 3 km of the site.
- (d) Over the course of the latter half of 2017, the median price of houses in Kealba has experienced a steady rise to \$595,000.

2.2 Summary of Loan terms

Set out below is a summary of the terms and conditions of the proposed Loan that will be made from assets of Investment Option 1 Units.

The key terms of the proposed Loan are set out below.

Feature	Description
Borrower	Kealba Development Pty Ltd as trustee for Kealba Unit Trust ABN 48 728 255 675 of 105 Rupert Street, Melbourne Victoria 3066
Lender	Vasco Investment Managers Limited in its capacity as trustee for Loyalize Mortgage Fund
Trustee	Vasco Investment Managers Limited
Secured Property	27 Driscolls Road, Kealba, Victoria
Facility Type	Senior loan
Facility Security	First ranking mortgage over the Secured Property
Facility Limit	\$10,000,000
Currency	Australian Dollars
Facility Term	2 years from first drawdown. The Facility Term may be extended by 6 months or terminated 6 months prior to the expiry of the Facility Term.
Purpose	Acquisition of land and repayment of funding, costs and expenses provided by the Borrower for the acquisition of land.
Security and Documentation	All documentation will be in a form and substance satisfactory to the Lender. Documents are to be prepared by legal counsel for the Lender. The documentation required will include (but may not be limited to): <ul style="list-style-type: none"> (a) facility agreement; (b) registered first ranking mortgage over the Secured Property; and (c) any further security and documentary requirements that the Lender's counsel may deem necessary to perfect the Lender's security position, together, with any other documents reasonably required to effect the transaction (together, Finance Documents) to the satisfaction of the Lender.
Drawdowns	Multiple drawdowns to be made as and when capital is raised by the Fund
Termination Date	24 months from the date of first drawdown
Engagement Fee (if applicable)	The Borrower must pay to the Lender a non-refundable engagement fee of \$30,000 for the Lender's reasonable legal and other costs in connection with the negotiation and execution of the Transaction Documents. The fee is payable regardless of whether any Transaction Document is executed or any amounts are drawn down under a Facility.
Application Fee	1.8% of the Facility Limit payable on financial close. The application fee is to be received by the Investment Manager and does not form part of the income of the Fund.
Interest Rate	9.5% per annum
Interest Period	Quarterly
Payment of Interest on Facility	Payment of Interest on the Facility will be paid quarterly.
Default Interest Rate	An additional margin of 6.5% per annum over the Interest Rate will be payable on all amounts outstanding.
Repayment	The Principal and any remaining interest are payable on the Termination Date.

Feature	Description
Prepayment	The Borrower may repay the Facility 6 months prior to the expiry of the Facility Term by giving 3 months' notice to the Lender. In the event where early repayment is made, the Borrower will pay the Lender up to 2 months of the outstanding interest. The investors and the Investment Manager will each be entitled to 50% of such payment made by the Borrower respectively.
Mandatory Prepayments	The Borrower must apply proceeds of sale of the Secured Property to prepayment or repayment of the Facility.
Transaction Documents	<ul style="list-style-type: none"> (a) Facility Agreement; (b) each Security; (c) the Material Document; and (d) any other document required by the Lender and customary for a facility of this nature.
Material Document	The contract for the sale of the Secured Property.
Conditions Precedent	<p>Provision of the Facility is subject to, and conditional upon the following, satisfactory to the Lender in all respects and in its absolute discretion:</p> <ul style="list-style-type: none"> (a) the Investment Manager undertaking due diligence in relation to the Secured Property and Borrower to its own satisfaction; (b) execution of each Finance Document (and where appropriate evidence of stamping and registration); (c) provision of the Material Document; (d) no Event of Default subsists or will arise from the drawdown; and (e) such other Conditions Precedent as the Lender and/or its legal counsel deem appropriate.
Representations	Usual terms for a Facility of this nature
Positive Undertakings	Usual terms for a Facility of this nature
Negative Undertakings	Usual terms for a Facility of this nature
Events of Default	Usual terms for a Facility of this nature
Confidentiality	All information contained in this Supplementary Information Memorandum is confidential and neither this term sheet nor any of its contents may be reproduced or disclosed without the prior written consent of the Trustee.
Transaction Costs	Borrower and Guarantor will be jointly and severally liable for all fees, costs, charges or expenses incurred by the Lender in relation to these terms and the Facility.
GST	All fees in this letter are exclusive of GST. In addition to the amount of fees referred to herein, the relevant party shall also pay GST in respect of those fees.
Governing Law and Jurisdiction	This terms sheet and the documents contemplated by it will be governed by the law of Victoria. Any disputes relating to this term sheet or any related documentation will be resolved by the courts of Victoria.

Application Form

Loyalize Mortgage Fund Investment Option 1 Class (Kealba Development Project)



Use this application form if you wish to invest in:

Loyalize Mortgage Fund Investment Option 1 Class (Kealba Development Project)

The Information Memorandum (IM) for the Loyalize Mortgage Fund (Fund) and Supplementary Information Memorandum for the Investment Option 1 Class (SIM) both dated **28 May 2018** includes information about purchasing units in the Fund. Any person who gives another person access to this Application Form must also give the person access to the IM and SIM and any incorporated information. You should read the IM and SIM 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 SIM and any incorporated information, will send you a paper copy of the IM and SIM and any incorporated information and this Application Form form free of charge if you so request.

Customer identification

If you are a new investor, you are also required to complete the relevant Customer Identification Form depending on what type of investor you are e.g. individual or super fund. The Customer Identification 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 Customer Identification Form and send these to us with the required identification documentation. We will not be able to process your Application without a correctly completed Customer Identification Form and the required identification documentation.

Important Information for Financial Advisers

When using the Customer Identification Form, please complete Sections 1 or 2 and 3.

If you are a financial adviser who has identified and verified the investor, by completing the Customer Identification Form together with the verification procedure and in the consideration of Vasco accepting the investor's application:

- you agree to identify and verify all new investors, using this Customer 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 03 8352 7120.

Checklist

Before sending us your application please ensure you have:

- ☐ completed this form in full;
- ☐ for new investments, completed the relevant 'Identity Verification Form' available on our website www.vascofm.com;
- ☐ if paying via direct debit, completed section 9 ensuring ALL bank account signatories have signed;
- ☐ if paying via cheque, ensure cheque is made payable to 'Vasco Investment Managers Limited ATF Loyalize Mortgage Fund' and attach it to this application form; and
- ☐ read the declaration and provided all relevant signatures.

Loyalize Mortgage Fund Investment Option 1 Class (Kealba Development Project)



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

- ☐ Individual investor or joint investors – also complete ‘Customer Identification Form – Individuals and Sole Traders’
- ☐ Sole Trader – also complete ‘Customer Identification Form – Individuals and Sole Traders’
- ☐ Super Fund – also complete ‘Customer Identification Form – Superannuation Funds and Trusts’
- ☐ Trust – also complete ‘Customer Identification Form – Unregulated Trusts and Trustees’
- ☐ Australian company – also complete ‘Customer Identification Form – Australian Companies’
- ☐ Foreign company – also complete ‘Customer Identification Form – Foreign Companies’
- ☐ Other – contact our Investor Services team on 03 8352 7120 for other Customer Identification Forms.

3A. Individual investor/joint investors/sole trader

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

[illegible]

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.

4. Contact details

This is the address where all correspondence will be sent.

Contact person	<input type="text"/>																				
Unit number	<input type="text"/>				Street number	<input type="text"/>															
Street name	<input type="text"/>																				
Suburb	<input type="text"/>																				
State	<input type="text"/>			Postcode	<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

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

5b. Investor 2 (joint investors)

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

5c. Non-residents

If you are an overseas investor, please indicate your country of residence for tax purposes.

6. Investment allocation and payment options

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 below.

☐ Bank Cheque → make cheque payable to 'Vasco Investment Managers Limited ATF Loyalize Mortgage Fund'.

Fund name	Investment Amount
Loyalize Mortgage Fund - Investment Option 1 Class	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/>

The minimum initial investment is \$500,000 with additional investments in increments of \$100,000.

Cheque Instructions: Bank Cheques or drafts must be made payable to Vasco Investment Managers Limited ATF Loyalize Mortgage Fund. 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 Loyalize Mortgage Fund
Macquarie Bank
BSB 182 512
Account number 966300808
Please note the applicants name when transferring the funds.
Please ensure all funds transferred are net of all bank charges.

7. Annual report

- ☐ A copy of the annual report for the Fund 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(s) for the Fund. 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.

8. Wholesale Investor Qualification

In order to participate in the Offer you must be a Wholesale Investor. Please complete this section so that the Trustee can determine whether you are eligible to participate in the Offer.

Part 1 – Investor category

Each Applicant must mark the box (X) which best describes the category of investor they are.

Applicant 1 Applicant 2
(if joint application)

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | I am applying for \$500,000 or more worth of Units. |
| <input type="checkbox"/> | <input type="checkbox"/> | I have net assets of at least \$2.5 million (please arrange for a Qualified Accountant to complete Part 2 of Section 8 of this Application Form). |
| <input type="checkbox"/> | <input type="checkbox"/> | I have earned at least \$250,000 per annum gross income for each of the last two financial years (please arrange for a Qualified Accountant to complete Part 2 of Section 8 of this Application Form). |
| <input type="checkbox"/> | <input type="checkbox"/> | I have sufficient experience in investing in securities and managed investment schemes (please arrange for an AFSL holder to complete Part 3 of Section 8 of this Application Form). |
| <input type="checkbox"/> | <input type="checkbox"/> | I have or control gross assets of at least \$10 million (please provide a Statutory Declaration). |
| <input type="checkbox"/> | <input type="checkbox"/> | I hold Australian Financial Services Licence No. (please provide AFSL no.) <input type="text"/> |

Part 2 – To be completed by a Qualified Accountant

Insert full name and address of Qualified Accountant

Name	<input type="text"/>
Address	<input type="text"/>
Suburb	<input type="text"/>
State	<input type="text"/>
Postcode	<input type="text"/>
Country	<input type="text"/>
Phone (after hours)	<input type="text"/>
Mobile	<input type="text"/>
Email	<input type="text"/>
Professional classification (eg. CPA)	<input type="text"/>
Phone (business hours)	<input type="text"/>
Facsimile	<input type="text"/>
Membership No:	<input type="text"/>

8. Wholesale Investor Qualification (continued)

Declaration by Qualified Accountant

I, the Qualified Accountant named above, certify that the following is true and correct:

- (a) I am a Qualified Accountant;
- (b) this certificate is given at the request of the Applicant described above in relation to the Units in the Fund to be issued by the Trustee; and
- (c) please indicate which option below applies by marking the relevant box for each Applicant:

Option 1

Applicant 1 Applicant 2
(if joint
application)

The Applicant is known to me and for the purposes of section 761G (7)(c) of the Corporations Act, the Applicant either personally or in conjunction with a company or trust controlled by the Applicant, has:

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | net assets of at least \$2.5 million; or |
| <input type="checkbox"/> | <input type="checkbox"/> | a gross income for each of the last two financial years of at least \$250,000 a year. |

Option 2

Applicant 1 Applicant 2
(if joint
application)

The Applicant is a company or trust controlled by a person known to me for the purposes of section 761G (7)(c) Corporations Act, who has:

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | net assets of at least \$2.5 million; or |
| <input type="checkbox"/> | <input type="checkbox"/> | a gross income for each of the last two financial years of at least \$250,000 a year. |

Signature of Qualified
Accountant

Date / /

Part 3 – To be completed by the Applicant and an Australian financial services licensee (or representative)

Applicant to sign this acknowledgment

I/We, the Applicant(s) acknowledge that the financial services licensee or authorised representative named below has not given me/us:

- (a) a product disclosure statement as referred to in Part 7.9 of the Corporations Act in relation to the Offer to acquire Units in the Fund; and
- (b) any other document required to be given under Chapter 7 of the Corporations Act if the product were provided to the Applicant as a retail investor; and
- (c) the licensee or authorised representative does not have any other obligation to the Applicant under Chapter 7 of the Corporations Act that the licensee or authorised representative would have if the product were provided to the Applicant as a retail investor.

We acknowledge that we have received the licensee's/authorised representative's statement of reasons for being satisfied on reasonable grounds that the applicant has previous experience in using financial services and investing in financial products that allows the Applicant to assess:

- (a) the merits of the Units;
- (b) the value of the Units in the Fund;
- (c) the risks associated with holding Units in the Fund;
- (d) the Applicant's own information needs; and
- (e) the adequacy of the information given by the Trustee.

Signature of Applicant 1

Date / /

Signature of Applicant 2

Date / /

Financial services licensee or authorised representative to complete this section

- (a) I am satisfied on reasonable grounds that the Applicant(s) have previous experience in investing in financial products that allows them to assess:
 - (i) the merits of the Units;
 - (ii) the value of the Units;
 - (iii) the risks associated with holding the Units;
 - (iv) their information needs;
 - (v) the adequacy of the information given by the Trustee and me; and
- (b) I have given the Applicant(s) a written statement of my reasons for being satisfied on these matters, as required by section 761GA(e) of the Corporations Act.

Print name of person signing

[illegible]

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.**

□ □ □ □ □ □ □ □ □

- all details in this application and all documents provided are true and correct and I/we indemnify the Trustee of the Fund 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 SIM and all information incorporated into the IM and SIM 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 and SIM (including the incorporated information) and current trust deed (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 acknowledge that if Vasco reasonably believes an email or facsimile communication it receives is from me/us Vasco is entitled to rely on that email or facsimile communication and will not be liable for any loss it may suffer if it is later found the email or facsimile communication was fraudulent;
- 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 policy' in the 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 and SIM, my/our application may not be accepted by Vasco and we agree to release and indemnify Vasco in respect of any loss or liability arising from its inability to accept an application due to inadequate or incorrect details having been provided;

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

- I/we acknowledge that none of Vasco, 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 are bound by the trust deed and that an application for Units is binding and irrevocable;
- I/we agree to be bound by any Call Notice issued to me/us in accordance with the IM and SIM and acknowledge and understand that the Trustee may take action to recover some of all the monies owing by me/us as described in the IM and Trust Deed;
- I/we have not relied on statements or representations made by anybody, other than those made in the IM and SIM;
- I/we agree and acknowledge no cooling off period applies and I/we have had the opportunity to seek independent professional advice on subscribing for Units;
- I/we agree and acknowledge Vasco is required to comply with the anti-money laundering laws in force in a number of jurisdictions (including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS)) and I/we must provide Vasco with such additional information or documentation as Vasco may request of me/us, otherwise my/our Application for Units may be refused, Units I/we hold may be compulsorily redeemed, and any disposal request by me/us may be delayed or refused and Vasco will not be liable for any loss arising as a result thereof;
- I/we have provided a tax file number, and if not, I/we consent to Vasco withholding tax at the highest marginal tax rate plus the Medicare levy;
- I/we acknowledge and agree to having read and understood the risks of investing in the Fund as described in the IM and SIM and understand that the risks associated with the Fund's investments may result in lower than expected returns or the loss of my/our investment;
- I/we acknowledge that the Fund is not currently registered with the Australian Securities and Investments Commission, but may be at some future point in time. By investing in the Fund, I/we consent to the Fund being registered at some future point should the Trustee consider it appropriate. I/we also consent to registration taking place without the Trustee holding a meeting of Investors to approve the application for registration.

I/We also warrant and acknowledge that:

- All information contained in my/our Application is true and correct;
- I/we are not a Politically Exposed Person (PEP) as defined by the AML/CTF legislation;
- I/we are a "wholesale client" for the purposes of section 761G or 761GA of the Corporations Act and relevant information has been provided to confirm this and by investing in this Fund I/we will not cause any breach of the Corporations Act by or for Vasco;
- if the Applicant is a SMSF, it is compliant and investing in this Fund complies with the Superannuation Industry Supervision Act 1993 (Cth); and
- I/we hold the appropriate authorisations to become an Investor in the Fund and that offer cannot be revoked.

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

Investor 1

Signature	<div></div>	Date	<div></div>
Surname	<div></div>		
Given name(s)	<div></div>		
Capacity	<div><input type="checkbox"/> Sole Director <input type="checkbox"/> Director <input type="checkbox"/> Trustee <input type="checkbox"/> Other <div></div></div>		

Investor 2 (joint investors)

Signature	<div></div>	Date	<div></div>
Surname	<div></div>		
Given name(s)	<div></div>		
Capacity	<div><input type="checkbox"/> Director <input type="checkbox"/> Company Secretary <input type="checkbox"/> Trustee <input type="checkbox"/> Other <div></div></div>		

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.

PLEASE NOTE: All signatories must provide certified copies of their drivers license or passport in addition to any identification documents required by the Customer Identification Form required for the Investor.

11. Adviser use only

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

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. Vasco may in its absolute discretion refuse any application for Units. Persons external to Vasco or other entities who market Vasco products are not agents of Vasco but are independent investment advisers. Vasco will not be bound by representations or statements which are not contained in information disseminated by Vasco. 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 (if any).	Sole trader's	Sole trader's
Australian or foreign company	i. Full company name as registered with the relevant regulator; and ii. Name of each director of the company; and iii. Full name of each beneficial owner*	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. Where the trustee is an individual, all information in the 'Individual and Sole Traders' section must be completed. 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). iv. Full name of the settlor** v. Full name of each beneficial owner	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

* Beneficial owner means an individual who ultimately owns or controls (directly or indirectly) the investors. Owns mean ownership (either directly or indirectly) of 25% or more of the investor.

**This is not required in some circumstances.