



AUSPACIFIC
PROPERTY INVESTMENT



Auspacific Investment Fund

INFORMATION MEMORANDUM

3 April 2017

TRUSTEE Vasco Investment Managers Limited | ACN 138 715 009
INVESTMENT MANAGER Auspacific Capital Management Pty Ltd | ACN 617 521 285
ADMINISTRATION MANAGER Vasco Funds Management Pty Ltd | ACN 610 512 331



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Notice

This Information Memorandum (IM) is dated 3 April 2017 and is issued by Vasco Investment Managers Limited ACN 138 715 009, holder of AFS licence number 344486, (Trustee), as the trustee of the Auspacific Investment Fund (Fund).

The purpose of this IM is to provide information for prospective Investors to decide whether they wish to invest in the Fund.

The Trustee has appointed Auspacific Capital Management Pty Ltd ACN 617 521 285 (Investment Manager) as the investment manager of the Fund under the Investment Management Agreement. The Investment Manager is an authorised representative (number 1252446) of D H Flinders Pty Ltd ACN 149 601 596 AFS licence number 353001.

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

Investors to undertake own due diligence

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

Whilst the Investment Manager has taken steps to ensure that the information presented in this IM is correct, 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.

The Trustee has not sought to verify any statements contained in this IM about the investment opportunity described herein, 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 and the likelihood of returns from the Fund.

Confidentiality

Neither this IM nor any other information provided by the Trustee may be disclosed to any other party, except for the purpose of obtaining independent advice in connection with the consideration of an investment in the Fund, or used for any purpose other than the consideration of an investment in the Fund, unless the express prior written consent of the Trustee is obtained. Any reproduction of all or part of this 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.

Restrictions on Distribution

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

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

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

By receiving and viewing this IM, the recipient is warranting that they are legally entitled to do so and the securities laws of their relevant jurisdiction do not prohibit them from acquiring interests in the Fund. Further, the person receiving and viewing this IM from the Trustee warrants that, if they reside in Australia, they are a wholesale client as defined in section 761G of the Corporations Act and, if they reside in Singapore, they are an accredited investor or certain other person prescribed under s305 of the Securities and Futures Act (collectively, "Qualifying Investors").

Investors from Australia

With respect to Australian jurisdiction, this IM has been prepared on the basis that prospective Investors are wholesale clients or sophisticated investors, not retail clients (all within the meaning of the Corporations Act).

Accordingly, this IM is not a product disclosure statement and does not contain all of the information that would be included in a product disclosure statement issued under the Corporations Act.

Investors from Singapore

With respect to Singaporean jurisdiction, this IM has been prepared on the basis that prospective Investors are also accredited investors or certain other persons prescribed under s305 of the Securities and Futures Act.

Accordingly, this scheme is not authorised or recognised by the Monetary Authority of Singapore and Units in this scheme are not allowed to be offered to the retail public.

Further, this IM is not a prospectus as defined in the Securities and Futures Act and, accordingly, statutory liability under the Securities and Futures Act in relation to the content of prospectuses does not apply, and the offeree should consider carefully whether the investment is suitable for them.

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 by application to the Trustee). Investments in the Fund are governed by the Trust Deed 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 Trust Deed and associated documents for the Fund. In the event of any inconsistency between the Trust Deed and associated documents and this IM, then the Trust Deed and associated documents will prevail to the extent of the inconsistency.

Trustee may reject and no cooling off period

The Trustee reserves the right to evaluate any applications and to reject any or all applications submitted, without giving reasons for rejection. The Trustee and Investment Manager are not liable to compensate the recipient of this IM for any costs or expenses incurred in reviewing, investigating or analysing any information in relation to the Fund, in submitting an application or otherwise.

No cooling off period applies to the issue of interests in the Fund.

No tax or investment advice provided

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

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

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

To the maximum extent permitted by law, the Trustee and Investment Manager and their directors, officers, employees, advisers or

consultants and their associated companies, businesses, partners, directors, officers or employees do not accept any liability or responsibility for any loss or damage (however caused including without limitation for negligence) arising from reliance placed on the information contained in this IM.

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/or 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 or the Investment Manager and/or their advisers.

No guarantee of performance or representations made by Trustee or Investment Manager

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

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

Certain of the information contained in this IM has been obtained from published sources prepared by other parties. None of the Trustee, the Investment Manager or any other person assumes any responsibility for the accuracy or completeness of such information. Except as specifically provided in the IM and associated documents, no representation made or information given in connection with or relevant to an investment in the Fund may be relied upon as having been made or given with the authority of the Trustee and no responsibility is accepted by the Trustee and/or their advisers or any other person in respect thereof.

All statements of opinion and/or belief contained in the IM and all views expressed and all projections, forecasts or statements relating to expectations regarding future events or the possible future performance of the Fund represent the Trustee's own assessment and interpretation of information available to it as at the date of this IM and are provided for illustrative purposes only. No representation is made or assurance given that such statements, views, projections or forecasts are correct or that the objectives of the Fund will be achieved. Prospective investors must determine for

themselves what reliance (if any) they should place on such statements, views, projections or forecasts and no responsibility is accepted by the Trustee and/or their advisers in respect thereof. Prospective Investors are strongly advised to conduct their own due diligence including, without limitation, the potential financial, legal and tax consequences to them of investing in the Fund.

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," "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 "Risk," in Section 6 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/or the 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 applicants 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.

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.

Date

This IM is dated 3 April 2017. Neither the delivery of this IM at any time nor any sale hereunder shall under any circumstances create an implication that the information contained herein is correct as of any time after that date. The Trustee reserves the right to modify any of the terms of issue of units in the Fund described herein. The Trustee and Investment Manager disclaim any liability which may arise from changes to this IM.

Any questions regarding this IM should be directed to the Investment Manager on +61 3 9620 0887 or the Trustee at Level 5, 488 Bourke Street, Melbourne Victoria 3000 Australia or +61 3 8352 7120.

Letter from the Investment Manager



Dear Investor,

On behalf of the investment management team at Auspacific Capital Management Pty Ltd (**Auspacific**) it is my pleasure to present to you an opportunity to invest in the Auspacific Investment Fund (**Fund**).

The Fund provides you with an indirect opportunity to invest in a range of property development projects around Australia. The Fund will invest by lending money to property developers undertaking development projects. These developers might be related to Auspacific, or within the Auspacific Group, or independent developers which Auspacific have done due diligence on and determined such investments to be within the mandate of this Fund.

The Auspacific Investment Fund will provide investors a clearly defined annual target return on their investment. Investors will be able to select from different unit classes, each offering different target return rates depending on the minimum amount of time (or Term) invested in each Fund. Complete details are available in this IM and the Term Sheet for each Unit Class.

The Fund is operated by an independent Trustee, Vasco Investment Managers Limited (**Vasco**). Vasco is part of an investment management group that provides responsible entity, trustee, fund administration and distribution services to Australian and international investment managers.

The Vasco team have significant experience in the Asia Pacific region in the management of equity funds, fixed income funds, REITs, private equity real estate funds, real estate securities funds, and mortgage and real estate debt funds. Some of the funds Vasco's executives have developed include the \$1 billion Australian Unity Healthcare Property Trust and the \$1 billion AIMS AMP Capital Industrial REIT listed on the Singapore Stock Exchange (SGX).

I invite you to read through this IM (including Section 6 entitled "Risks") to allow you to make an informed decision before investing in the Fund.

On behalf of Auspacific, I look forward to your participation with us in this outstanding investment opportunity.

Regards Tony Shen

Managing Director

Auspacific Capital Management Pty Ltd

1.0 Key Features

The table below is a summary of the key features of an investment in the Auspacific Investment Fund (**Fund**). It is not intended to be exhaustive. You must read the whole of this IM to obtain more detailed information before making a decision to invest in the Fund.

| Feature | |
|---------------------------|--|
| Trustee | Vasco Investment Managers Limited Please see Section 4.1 for more information about the Trustee. |
| Investment Manager | Auspacific Capital Management Pty Ltd Please see Section 4.2 for more information about the Investment Manager. |
| Administration Manager | Vasco Funds Management Pty Ltd Please see Section 4.1 for more information about the Administrator. |
| Investment objective | The Fund aims to provide Investors with the opportunity to achieve attractive returns by lending money to companies undertaking property development projects in Australia. These companies may be related to the Investment Manager. Investors can expect to receive an annual target return on their investment, as specified in the Term Sheet for the Investment Option in which they are investing. |
| Fund structure | The Fund is an unregistered managed investment scheme which pools Investors' money and invests in a portfolio of Loans predominantly for property development projects in Australia. Please see Section 2 for more information about the Fund's structure. |
| Investment Options | The Fund provides Investors different Investment Options with different terms in respect of: <ul style="list-style-type: none"> › Minimum Investment Amount › Target Income Return › Minimum Term The details of these terms are set out the relevant Term Sheet for the Investment Option. Each Investment Option will have a separate class of Units. |
| Minimum Investment Amount | The minimum amount required to be invested into the Fund is specified in the Term Sheet for each Investment Option. The Trustee has the discretion to accept amounts lower than the specified minimum. |
| Target Income Return | The Target Income Return is amount of income each investor can expect to receive for their investment, and is specified in the Term Sheet for each Investment Option. The Target Income Return is not a forecast and returns are not guaranteed. |
| Minimum Term | The Minimum Term is the minimum amount of time each Investor has to remain invested in the Fund before being able to participate in a Withdrawal Offer to withdraw part or all of their investment in the Fund. The Minimum Term is specified in the Term Sheet for each Investment Option. |

Feature

Withdrawals

Investors are unable to withdraw from the Fund before the Minimum Term specified in the Term Sheet for the Investment Options in which they are invested.

Once the Minimum Term is reached, investors will be able to participate in quarterly Withdrawal Offers provided by the Trustee, subject to available liquidity. Liquidity is ordinarily provided by the completion of a development project and the repayment of Loans to the Fund by a Borrower.

Investors wanting to take advantage of the Withdrawal Offer must complete and submit to the Trustee a Withdrawal Request by the end of a calendar quarter before the Withdrawal Offer is made. For example, all Withdrawal Requests received in April, May and June will be satisfied as at the end of June, subject to available liquidity.

Where there are insufficient funds to satisfy all Withdrawal Requests received in response to a Withdrawal Offer, Withdrawal Requests will be satisfied on a pro-rata basis.

Withdrawal Request forms are available on the Trustee's website at www.vascofm.com.

It is possible that the Trustee will not make a Withdrawal Offers during the term of the Fund and you will therefore not be able to withdraw your investment in the Fund until the Trustee winds up the Fund.

Distributions

Distributions, in line with the Target Income Return, are expected to be paid annually or as otherwise specified in the Term Sheet. As of the date of this IM it is not intended that there will be a distribution reinvestment facility.

Who can invest in the Fund?

The Offer is only available to Qualifying Investors, meaning an Investor who:

- › invests \$500,000 or more in the Fund; or
- › provides a certificate from a qualified accountant (substantially in a form provided by and available from the Trustee) that states that the Investor has net assets of at least \$2.5 million or has a gross income for each of the last two financial years of at least \$250,000; or
- › is a professional investor (including the holder of an Australian financial services licence, a person who controls more than \$10 million or a person that is a listed entity or a related body corporate of a listed entity); and
- › if residing in Singapore, can also demonstrate (in addition to one of the above) they are an accredited investor or certain other person prescribed under s305 of the Securities and Futures Act by providing a declaration to that effect and suitable documentary evidence.

Target fund size

The Investment Manager is seeking to raise \$50 million. There is no maximum or minimum fund size. The Fund may proceed even where less than \$50 million is raised.



Feature

Units

Unit price

The Trustee intends to issue Units at \$1.00, however the Unit price is based on the underlying value of the Fund's assets calculated in accordance with the Trust Deed.

The withdrawal price for a Unit is also based on the underlying value of the Fund's assets. This price may be different from the price originally paid for the Unit in the event that the Fund's assets are re-valued (e.g. in the event of a loss on a Loan).

Unit prices are available at www.vascofm.com. The price that will apply to your application may be different from that on the website as the one that will apply will be the one calculated after you submit your application.

Issue of Units

Units in the Fund will be issued within seven Business Days of the end of the calendar month in which a completed Application Form and investment monies are received.

The Trustee reserves the right to issue units more frequently in its absolute discretion.

Transfer of Units

You can transfer the ownership of your Units at any time provided that the transferee meets the requirements of an Investor in the Fund and has been approved by the Trustee.

Under the Trust Deed, the Trustee has the discretion to refuse the transfer of Units and is not obliged to accept a transfer of Units. Please note that a transfer of Units may have taxation consequences. See Section 7 of the IM for further information.

There will not be any established secondary market for the sale of Units.

Risks

There are risks associated with an investment in the Fund. It is important that you read and consider the risks associated with the Fund before deciding whether to invest.

Distributions or capital returns are not guaranteed.

Further details regarding the risks associated with investing in the Fund are included in Section 6 of this IM.

Fees and other costs

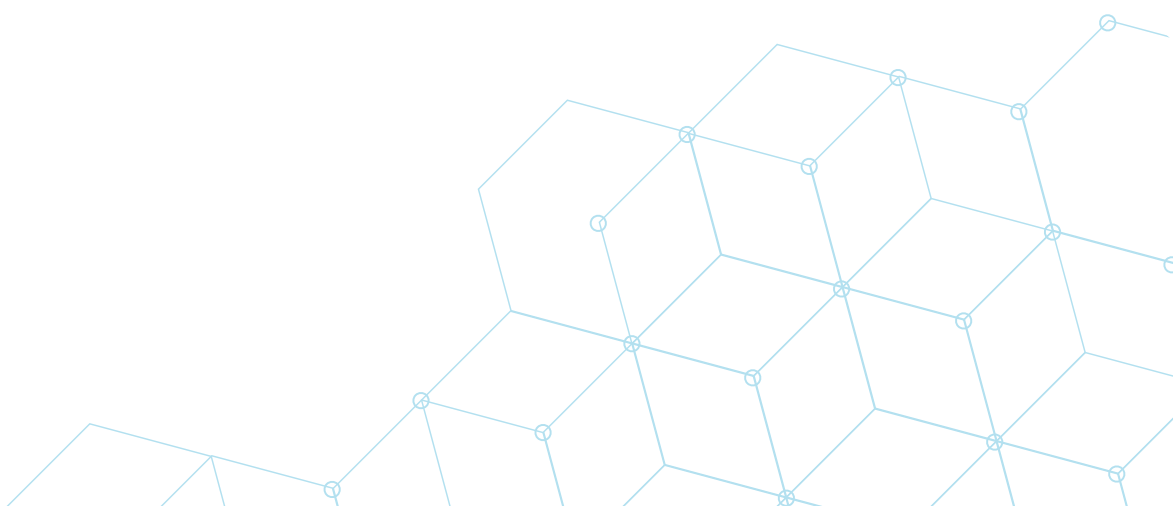
There are fees and costs payable in relation to the management of the Fund which include:

- › **Establishment fees:** \$24,500 on establishment of the Fund.
- › **Trustee fees:** 0.10% per annum of the Fund's gross asset value subject to a minimum fee of \$25,000 per annum.
- › **Administration fees:** Up to \$35,000 per annum plus \$5,000 for each additional Unit Class.
- › **Performance fees:** Any excess income above target returns specified in the Term Sheet for the relevant Investment Option.

Section 5 contains a detailed description of the fees and costs payable in relation to the management of the Fund.

Borrowings

The Fund will not borrow money.

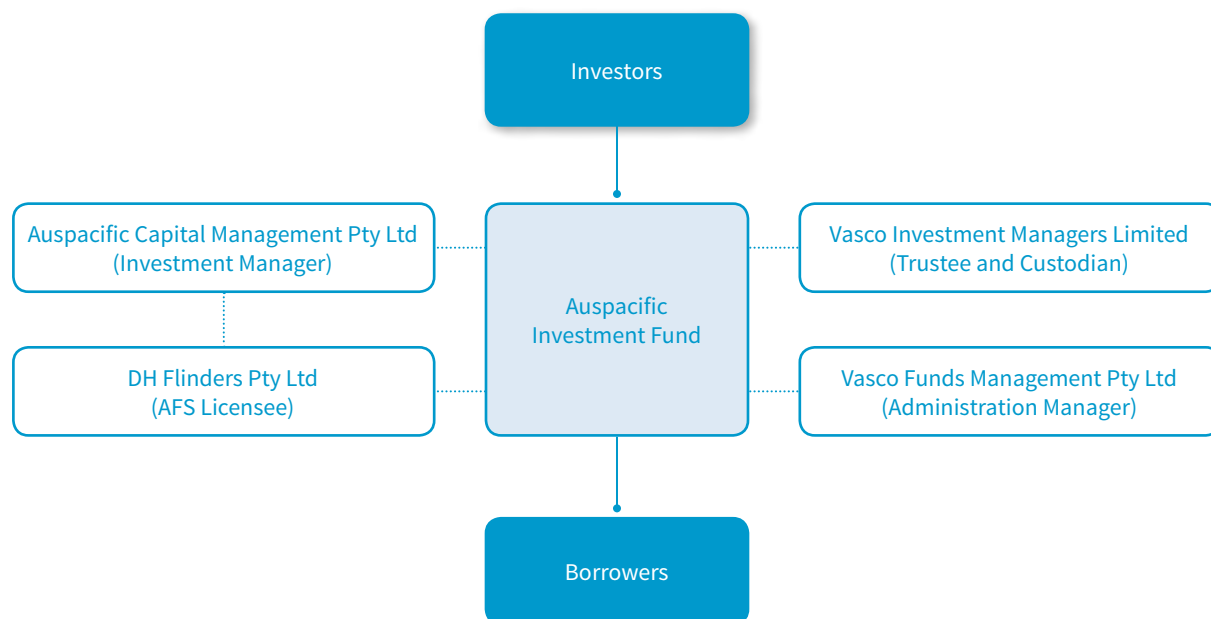




2.0 Fund Structure

The Fund pools Investors' money and invests principally in the Loans to property developers undertaking development projects in Australia.

The following diagram illustrates the parties involved in the fund:



Legally, the Fund is an unlisted, unregistered managed investment scheme structured as a unit trust. There is no intention to register the Fund with ASIC or to list the Fund on a secondary market such as the ASX.

The Fund was established by a Trust Deed dated 17 March 2017 which regulates the relationship between the Trustee and Investors.

Vasco Investment Managers is the Trustee of the Fund and has appointed Auspacific Capital Management Pty Ltd (**Auspacific**) as the Investment Manager pursuant to the Investment Management Agreement.

The Fund consists of different Investment Options. Each Investment Option is a different class of units under the Fund.

Auspacific is an authorised representative (no. 1252446) of D H Flinders Pty Ltd (AFSL 353001).

3.0 The Loans

3.1 Lending Guidelines

The following table provides a summary of the Fund's Lending Guidelines.

| | |
|-------------------------------|---|
| Borrowers | The Fund will invest by lending money to property developers undertaking development projects. These developers might be related to Auspacific, or within the Auspacific Group, or independent developers on which Auspacific have done due diligence on. |
| Loans | <p>Loans may be made to approved Borrowers in the following instances:</p> <ul style="list-style-type: none"> › As a senior lender to a Borrower with a registered first ranking real property mortgage. › As a lender of mezzanine debt, with a registered or unregistered second ranking real property mortgage. › As a senior or mezzanine lender, without a real property mortgage. <p>It is anticipated that Loans not secured by a real property mortgage will amount to no more than 50 percent of the Fund's total portfolio.</p> |
| Purpose of Loans | <p>Loans may be used by Borrowers to facilitate the development of property which may include (this is not an exhaustive list):</p> <ul style="list-style-type: none"> › The acquisition of real property by a Borrower, including deposit payments and acquisition costs. › Construction and civil works. › Construction of multi or single dwellings. › Costs incurred in securing appropriate development approvals. › Other costs related to property development including sales and marketing, preliminary work (such as investigations, surveys and tests), development compliance costs and project management fees. <p>Loans will not be used for personal, domestic or household purposes.</p> |
| Location of projects | All projects will be in Australia with a focus on capital cities and major regional centres. Initially, the projects will be located in Victoria. |
| Real Property Mortgage | <p>A registered real property mortgage is not required for all Loans.</p> <p>Loans not secured by a real property mortgage must not exceed 50 percent of the Fund's total portfolio. No further unsecured mortgage investments will be made once loans not secured by real property mortgages exceed 50% of the Fund's total portfolio.</p> <p>Where a real property mortgage is taken, it may or may not be registered. Where the real property mortgage is not registered, then there is a risk that another party may register a mortgage against the relevant real property which would then take priority to the Fund's interest in the real property.</p> <p>To mitigate this risk, a written undertaking may be obtained from a Borrower not to deal with the real property, including not to permit any further encumbrances (whether a caveat or real property mortgage).</p> <p>Where a second ranking real property mortgage is obtained, it will rank behind the first ranking financier's mortgage in terms of priority.</p> |

| | |
|---------------------------------------|--|
| Security Interests | <p>To better secure the Fund's position, the Trustee may, where feasible, enter into a general security agreement covering all of the assets of each Borrower where a real property mortgage is not taken by the Fund.</p> <p>The Trustee may also generally enter into a general security agreement where the Loan is secured by a real property mortgage, but may not if it reasonably considers that the Loan is appropriately secured by the real property mortgage.</p> <p>The Trustee may also take other forms of security, which may include personal guarantees or directors' guarantees.</p> |
| Amount | There is no maximum amount that will be lent to any one Borrower. |
| Loan to value ratio (LVR) | <p>Loans will be offered with a maximum individual project LVR of up to up to 85%.</p> <p>The actual LVR for each investment will vary depending upon the credit risk of a Borrower and the nature of the property which is the subject of a real property mortgage.</p> |
| Term | The term of a Loan will be determined between the Investment Manager and a Borrower on the basis of the specific funding needs of the relevant project. |
| Default terms | Standard events of default including failure to pay amounts when due, breach of financial covenants and insolvency of a Borrower. |
| Other key requirements | Typical representations, warranties, undertakings and events of default, including restrictions on a Borrower disposing of the security property (where relevant) or incurring additional financial indebtedness. |
| Use of receipts from Borrowers | <p>The Investment Manager will deal with payments made by Borrowers under the terms of the Loan Agreement with a Borrower in accordance with the instructions of the Trustee.</p> <p>This may include using those payments to make additional Loans to new Borrowers.</p> |

3.2 Lending strategy

The Investment Manager will ensure at all times that the risk profile of each Loan is appropriate having regard to the quality and value of the Loan, underlying security property (if any) and the risk analysis process.

All Loan investment decisions will be based on appropriate credit risk assessment over the term of the Loan.

All Loans, Borrowers and real property mortgages are assessed and managed by the Investment Manager, as described below.

In addition, each Loan will be properly documented and appropriately secured following an assessment of the purpose, servicing capability of a Borrower, valuation, insurance and management protocols proposed for each Loan.

3.0 The Loans continued

3.3 Loan selection and assessment process

The Investment Manager will be responsible for undertaking the assessment of any Loans proposed to be made by the Fund, having regard to the lending guidelines outlined above.

1. Analysis and evaluation

Assessment of a Loan commences when an application and accompanying financial data is received from a proposed Borrower.

The Investment Manager will assess the merits of each prospective Loan and the associated risks. The analysis takes into account a set of criteria including available security, the precise nature of the security property, loan-to-valuation ratio and evidence of capacity to service the Loan. The risks can be described in three broad categories as follows:

- › **Security / Development Risk:** the Investment Manager must assess the character and geographic suitability of the security property, the proposed capital expenditure for the development and a number of extraneous factors such as permissible usage, competition and the appeal and demand for the development asset.
- › **Servicing risk:** the ability of the Borrower to meet Loan commitments, which focuses on the income and cash flow sources of the Borrower.
- › **Saleability:** the exit strategy at the Loan conclusion including the ability of the Borrower to sell the property, the end value of the asset and the ability of the Borrower to refinance.

2. Approval process and ongoing management

Subject to the satisfactory completion of its assessment, the Investment Manager will instruct the solicitors of the Fund to prepare the formal Loan documentation.

Hereafter, the Trustee reviews the documentation to ensure the Loan is in accordance with the Lending Guidelines, this IM and the Constitution. If approved by the Trustee, the Loan documents are executed and the Trustee makes the funds available for disbursement to the Borrower.

After a Loan is made, the Investment Manager is responsible for the ongoing management of that Loan. It will provide reports to the Trustee in relation to Loan performance including in respect of payment and collection of interest, and compliance with Loan covenants and conditions.

3.4 Valuation policy

Valuations sought on any security property will depend on the circumstances, and may include director valuations, independent valuation reports or other market based valuation assessment approaches as determined by the Trustee from time to time.

3.5 Documentation and settlement of security property

Loan documents are prepared and reviewed by the Fund's legal advisor who is chosen from an experienced panel of legal firms experienced in finance, verification and validation requirements, who also attend to settlement of the legal documentation.

Normal development funding conditions such as receipt of independent engineers and/or quantity surveyors report confirming costs, expenses, and cost to complete the project will be required before any Loans are made.

3.6 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 make an interest payment on or before the due date, the Investment Manager will allow a grace period of up to seven days to allow the Borrower to make the payment. If the Borrower does not do so, then the Investment Manager must immediately inform the Trustee of the Borrower's missed payment.

Depending on the Borrower's response to the payment request, the Trustee may issue a default notice, and commence recovery action against the defaulting Borrower.

If recovery action is issued against a Borrower:

- › the Trustee may become a mortgagee in possession of the security property
- › the Trustee will procure a new valuation in respect of the security property
- › the security property may be placed on the market for sale
- › depending on the nature of the security property, the Trustee may appoint parties to manage the security property or complete the development of the security property before commencing a sale process, and
- › if the security property is sold at a price that is less than the amount required to satisfy the outstanding balance of the Loan together with interest and costs (including recovery fees), then recovery action against the Borrower and any guarantors will continue.

The ability of the Trustee to take the above actions where there is a second ranking real property mortgage will depend upon the arrangement between the Trustee and the first ranking financier. Generally, the Trustee will not be able to enforce its rights under the real property mortgage and will instead have to wait for the first ranking financier to enforce under its security.

Where the Loan is made on an unsecured basis, then the Trustee will not have any rights to sell the real property of the Borrower to recover the amounts owing to the Fund, although it would have the right to sell the personal property of the Borrower pursuant to the general security agreement where such an agreement is entered into. Where the personal property of the Borrower is insufficient to satisfy the amount owing by the Borrower, the Trustee will consider taking recovery action against the Borrower through a court process.

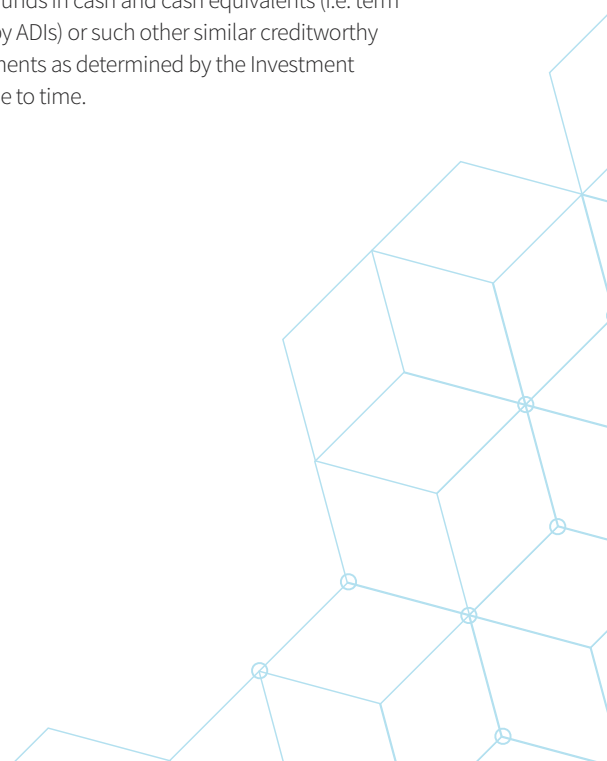
The enforcement procedure can involve significant costs, including legal costs and receiver's fees. These costs may be funded as follows:

- › Ordinarily paid by the Fund thereby reducing returns.
- › 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.
- › By the Trustee undertaking a rights offer to raise the capital required. It is likely that any future capital raising undertaken to pay for enforcement expenses would be undertaken at an issue price less than the original issue price of \$1 per Unit and will therefore be dilutive. It is important for Investors to understand there is a possibility they may have to contribute further capital to the Fund in the future and if an Investor chooses not to contribute, then their proportionate holding in the Fund may be diluted.
- › Paid by a third party. In which case, any expenses paid plus any amount agreed with the lender (for example interest of success fees) would be recovered from the proceeds received from the Borrower in priority to any payment to Investors.

Investments made by investors into the Fund are pooled across different Investment Options (Unit Classes). Default or loss in one Loan may result in losses being suffered by all investors across all Investment Options unless there is sufficient other income in the Fund to cover those losses.

3.7 Investing surplus funds

From time to time the Fund may have excess capital which is not immediately required or able to be invested in suitable Loans or has funds which are being held pending distribution to Investors. In those circumstances the Investment Manager may invest those funds in cash and cash equivalents (i.e. term deposits offered by ADIs) or such other similar creditworthy and liquid investments as determined by the Investment Manager from time to time.



4.0 Management of the Fund

4.1 The Trustee and Administration Manager

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, fund administration and distribution services to Australian and international investment managers.

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

Some of the funds Vasco's executives have developed include the \$1 billion Australian Unity Healthcare Property Trust ARSN 092 755 318 and the \$1 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 Macarthur Cook 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, Residential 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 Trust Deed 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.

4.2 The Investment Manager – Auspacific Capital Management Pty Ltd

The Investment Manager, Auspacific Capital Management Pty Ltd, is part of the wider Auspacific Group (**Auspacific**) based in Melbourne.

Auspacific is a specialist consulting company specializing in property investment and management in Australia, with offices in Beijing, Shanghai, Nanjing and Hong Kong.

Auspacific's focus is on quality and efficient service. With 25 years of experience in the Australian and Asian markets, Auspacific's database includes a clientele of professional investors from Australia and overseas. Auspacific has multi-lingual teams working towards developing a professional global investment platform for its clients.

The group's professional property development team provide project development and planning services, with a focus on profit return and risk mitigation.

Auspacific's team of project managers has successfully managed various projects including medium density developments, high-rise apartment projects, townhouse projects, land development projects and commercial projects.

Auspacific place an emphasis on careful planning, monitoring, reporting and control. Project delivery is continually monitored against time, cost and quality criteria to ensure that it meets its commercial objectives on completion.

Tony Shen - Managing Director

Mr Shen is the Founder and Managing Director of Auspacific Property Investment Group and Auspacific Project Management. He established Auspacific in 2008. Auspacific is a diversified group with operations across property, investment and project management.

Auspacific Property Investment Group is a comprehensive consulting company specialised in property investment and management in Australia. Auspacific has subsidiaries, branches, or representative offices in Melbourne, Beijing, Shanghai, Nanjing and Hong Kong.

Mr Shen has over 10 years' experience within the property industry. He has a strong understanding of the real estate market and specialises in investment, overseeing the sourcing and assessment of new opportunities.

Mr Shen's sophisticated knowledge of the business, investment, and market drivers within Australia and China has been the principle force driving the booming development of the Auspacific Group.

5.0 Fees and Costs

5.1 Payment of Fees and Costs

The interest rate charged to the Borrower under the terms of the Loan Agreement will be in excess of the return offered to investors. Excess returns to the Fund under the Loan Agreements are used to pay for the Fees and Costs of the Fund described below.

The Investment Manager has agreed to pay the Fees and Costs of the Fund until such time as they are able to be paid from the assets of the Fund before paying any distribution to Investors, and may be reimbursed from the Fund for these payments.

5.2 Trustee fees

The Trustee is entitled to the following fees:

- › A once off establishment fee of \$24,500 payable on establishment of the Fund.
- › A fee equal to 0.10% per annum of the Fund's gross asset value, subject to a minimum fee of \$25,000 per annum. This fee accrues and is calculated daily from execution of the Trust Deed and is payable to the Trustee monthly in arrears.
- › Where the Trustee is terminated or replaced, a trustee replacement fee payable at the time of termination or replacement of:
 - \$9,500 plus GST; plus
 - where the Trustee is terminated or replaced within 3 years of the establishment of the Fund, the balance of the annual fee which would have been otherwise payable calculated on the basis of the gross asset value of the Fund at that time.

An arrears and default management fee of \$150 per hour for any arrears and default management activities undertaken in accordance with section 3.6.

5.3 Administration fee

The Administration Manager is entitled to an annual fee (excluding GST) of:

- › up to \$30,000 where the Fund has gross assets of less than \$10 million and there are less than 25 unitholders.
- › up to \$35,000 where the Fund has gross assets greater than \$10 million or where there are 25 or more unitholders.
- › \$5,000 for each additional Unit Class beyond the first.

These fees are calculated daily and payable monthly in arrears from receipt of the first application to invest in the Fund and subject to an annual increase of 4% on the 1st of January of each year.

5.4 Investment Manager's Performance fees

The Investment Manager will receive a performance fee calculated as the income of the Fund after the payment of distributions to Unit Holders and all relevant Fees and Costs.

5.5 Expenses

The Trustee is entitled to be paid or reimbursed for expenses associated with establishing and the operation of the Fund, such as the costs associated with the administration or distribution of income and other expenses properly incurred in connection with performing its duties and obligations in the day to day operation of the Fund.

5.6 Goods and services tax

Unless otherwise stated, all fees quoted in the IM are quoted exclusive of GST.

5.7 Waiver, deferral or rebate of fees

The Trustee may, in its absolute discretion, 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.

6.0 Risks

Like any investment, there are risks associated with investing in the Fund. There are a number of risk factors that could affect the performance of the Fund and the repayment of Investor's capital. Many risk factors fall outside of the Trustee and the Investment Manager's control and cannot be completely mitigated.

The following is a non-exhaustive list of the main risks associated with investment in the Fund. Investors should consider and weigh them up carefully and make their own assessment as to whether they are comfortable with them.

Distributions are not guaranteed and neither is the return of Investor's capital.

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.

Investment Risk

The value of an investment may rise or fall, distributions may or may not be paid and an Investor's capital may or may not be returned.

No guarantee of performance or representations made by Trustee or Investment Manager

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

Risks associated with the performance of the Investment Manager

The success of the Fund is dependent on the Investment Manager identifying suitable Loans for the Fund and then managing those Loans to ensure that the Loans are repaid. If the Investment Manager is unable to achieve this, then this may adversely affect the Fund's returns.

Risks associated with the solvency and financial position of the Investment Manager and Borrowers

The financial performance of the Loans will be impacted by the financial performance of the Investment Manager and the Borrowers, and the success of the projects undertaken by these related entities of the Investment Manager.

If the Investment Manager either becomes insolvent or encounters financial difficulties, which mean that it is unable to perform its role under the Investment Management Agreement, then the Trustee will most likely need to terminate the Investment Management Agreement. If that were to occur, then the Trustee would either need to find a replacement investment manager or wind up the Fund. This could result in you suffering a loss or a diminished return on your investment in the Fund.

If Borrowers become insolvent or face financial difficulties, then the Fund may suffer losses and Investors may lose some or all of their capital invested in the Fund.

Liquidity risk

Investors cannot withdraw from the Fund, unless the Trustee makes a Withdrawal Offer. Withdrawal Offers are anticipated to be made quarterly by the Trustee once Minimum Terms are satisfied. However, Investors in a particular Investment Option may not participate in a Withdrawal Offer unless the minimum investment term for their Investment Option is satisfied.

The Trustee has complete discretion over when to make a Withdrawal Offer and the terms of the offer. The Trustee may choose not to make a Withdrawal Offer. Even when a Withdrawal Offer is made, there may not be sufficient liquid assets in which case investors will be redeemed on a pro-rata basis. If the Trustee does not make a Withdrawal Offer, investors will not be able to access their investment until the Fund is wound up.

Return risk

The Fund seeks to deliver the Target Return to Investors. It is designed for Investors seeking a return greater than the interest paid on basic deposit and saving products offered by an ADI. The Fund is targeting returns which are significantly higher than interest paid on basic deposit products. However, as a general rule, higher potential returns have higher levels of uncertainty than investments with lower potential returns and low levels of uncertainty.

The Target Return is not a forecast. The Fund may not be successful in meeting this objective. Returns are not guaranteed.

Investors should note that an investment in the Fund is not an investment in an ADI (such as a bank) regulated by APRA and an investment in the Fund carries more risk than an investment in a bank.

Unsecured lender risk

The Fund may make Loans which are unsecured. Therefore, if the Borrower defaults on the Loan, then there will be no rights to recover the debt by seeking to take control or sell any real property of the Borrower. Depending on the terms of the Loans, any rights to enforce against the Borrower will be entirely subordinated to the rights of any senior lenders who may have security over particular assets of the Borrower.

There is a significant risk that if the Borrower defaulted on the Loan and the Fund took enforcement action, there may not be sufficient assets remaining after paying other secured creditors of the Borrower to repay the Fund.

Junior lender risk

If the Fund is a mezzanine lender then its real property mortgage (if any) will rank in priority behind a senior lender's mortgage. Therefore, in the event of a default by the Borrower the ability to recover the amount owing under the Loan will be affected by the actions of the senior lender.

Generally, the senior lender will have the right to take possession of, and deal with, the security property and assets of the Borrower if various covenants of the senior lender's loan facility are not met. Because the Fund's security will rank behind the senior lender, if the Borrower defaults under any of the loan facilities and the senior lender exercises its security, then the Trustee will not have day-to-day control over the Borrower's assets. This will generally mean the Trustee cannot exercise the Fund's security until the senior lender has been paid in full. In addition, any monies available to the Fund in these circumstances would be limited to what is recovered after the senior lender has been paid in full.

Where security is taken over a Borrower's personal assets under a general security agreement or guarantees are provided by directors or shareholders of a Borrower, there is a risk that recovery from those persons could be difficult. Moreover, a Borrower or their guarantor may not have sufficient assets to repay the liability in full.

Concentration risk

The Fund will lend to a limited number of Borrowers, and these Borrowers and/or projects will be controlled by Auspacific, who is a related entity of the Investment Manager. It is also possible that all Loans may be in relation to projects in Victoria.

The Investment Manager will endeavour to diversify the underlying projects that the Fund will lend to in terms of type, location and loan tenor however, there may be instances where this is not possible.

There is possibility of an increased risk associated with Loans that are highly concentrated in terms of particular types of Loans, location, activities or Borrowers.

Loan loss risk

The Fund will not maintain a reserve of funds to meet losses on Loans, should they occur. This means any Loan losses caused as a result of Borrower default or otherwise will have to be met from the Fund's capital, which may impact upon the Fund's unit price and may result in a capital loss being incurred by Investors.

Related Party Loans

The Loans made by the Fund may be made to Borrowers who are related parties of the Investment Manager. By making an investment in the Fund, unit holders acknowledge that the Investment Manager and the Borrowers may be related parties.

Unit holders further acknowledge that any Loans to the Borrowers may not be on arm's length terms and that they have made their own independent investigations to satisfy themselves of the benefit of entering into the Fund.

6.0 Risks continued

Construction and development risk

Investments in the Fund will be lent to the Borrower for use in property construction projects. There are specific risks associated with this type of project, including:

- › construction or development costs can exceed budgeted costs and the borrower may be unable to complete the project unless the borrower can obtain further funds;
- › loan funds kept in reserve by the Manager to complete the project being insufficient to meet the cost of completion; and
- › a change in market conditions could result in the project's value 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 project is 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 project. An independent quantity surveyor or construction cost manager may be appointed prior to the commencement of the Project to verify that there are sufficient funds available to complete the Project and to verify the completion of each stage of construction prior to the draw-down of funds.

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

Enforcement risk

Where the Trustee takes enforcement action in respect of a defaulting Loan, the costs incurred in doing so could be substantial.

The Investment Manager may pay for those enforcement costs from its own resources (such as the costs of appointing a receiver, legal fees in enforcing against the Borrower, agent's commissions for sale of the security property etc.). It is also possible that the Trustee may procure a third party to underwrite the enforcement expenses on commercial arrangements. The Investment

Manager or third party will have the right to recover these costs from the proceeds received from the enforcement action before any payments are made to Investors plus any fee or interest agreed with a third party. This will most likely lead to a reduction in distributions paid to the Investors. If the enforcement costs cannot ultimately be recovered out of the proceeds from the sale of the security property or recovered directly from the Borrower, then it may result in Investors suffering a loss of capital.

It is also possible the Trustee will undertake a further capital raising to raise the capital required to pay for the expenses associated with enforcing the Loan. There is therefore a risk that Investors may be requested to contribute further capital to the Fund. It is highly likely that any such future capital raising will be undertaken at a price less than the original issue price for the Units and may therefore dilute the proportional holdings in the Fund of those Investors that decide not to contribute further capital.

Documentation risk

A deficiency in documentation could, in certain circumstances, adversely affect the return on a Loan. This may make it difficult for the Fund to enforce its real property mortgage in respect of the Loan and may also affect the ability to recover any penalties imposed against the Borrower.

Valuation risk

The valuation of the security property for a Loan may be inaccurate or not accurately reflect its true value at the time the valuation is undertaken. If the valuation of the security property for a Loan is incorrect, then the amount realised on the sale of a security property may not cover the amount lent to the Borrower.

Market risk

This is the risk that negative market movements will affect the price of assets within a particular market. By their nature, markets experience periods of volatility involving price fluctuations of varying magnitudes. Property market risk is the risk that the property market as a whole declines in value in line with various trends in the Australian or overseas markets. This may be due to a number of factors, such as over-supply of real estate, economic conditions, interest rate movements or general market sentiment.

The Fund's assets will be made up of Loans made for the purpose of property development. Therefore, factors which affect the property market may impact upon the value of Fund assets.

A fall in property values may affect the ability to fully recover the amount owing under a Loan where a Borrower defaults. If the Borrower defaults and the security property is sold for less than the outstanding Loan amount (including the costs of the sale and interest), then this may result in the Fund suffering a loss if the Borrower cannot repay the balance of the outstanding debt from other assets of the Borrower.

Operational risk

Operational risk exists in all managed investments. This refers to the possibility the Investment Manager may fail to anticipate market movements, to manage the investment risks appropriately, or to properly execute the Fund's investment strategy.

There is also an inherent risk associated with the death or departure of the Trustee's or the Investment Manager's key personnel.

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 Investment Manager 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 or Investment Manager will ensure that a reputable legal practitioner with professional indemnity insurance is engaged to prepare and finalise legal agreements.

Regulatory and economic risk

There is the risk that a downturn in domestic or international economic conditions may adversely affect investments.

These factors are outside the control of the Trustee and the Investment Manager but they may have a negative impact upon the operation and performance of the Fund.

Tax Risk

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

Fees and Expenses

The Fund will incur fees and expenses regardless of whether it is successful. The Fund will pay Investment Management fees, Trustee Fee's and Administration Fee's whether or not it receives its returns. In addition, the Fund will also be required to pay annual Investment Management fees, Trustee Fee's and Administration Fee's whether the funds raised are fully utilised or not. The Fund must therefore ensure that sufficient liquidity is maintained in order to meet these and other expenses. The Trustee and the Investment Manager expect 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 Trustee and the 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.

Other Risks

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

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

We strongly recommend that Investors obtain independent financial advice before investing in the Fund.

7.0 Taxation information

Investors should seek their own taxation advice in relation to the taxation of income and capital returns from the Fund.

Tax File Number and Australian Business Number (Australian Investors only)

It is not compulsory for an Investor to quote a Tax File Number (TFN), claim a valid exemption for providing a TFN, or (in certain circumstances) provide an Australian Business Number (ABN). However, if an Investor does not provide a TFN, exemption or ABN, tax will be required to be deducted from the Investor's distributions at the highest marginal tax rate plus Medicare levy and any other applicable Government charges (currently 49%).

Australian Goods and Services Tax (GST)

GST should not be payable on the issue or redemption of units nor on any of the distributions to Unit holders. GST may apply to the fees charged to the Fund by the Investment Manager and in relation to other expenses of the Fund. The Fund may be entitled to claim input tax credits and / or reduced input tax credits for any GST paid

Foreign Account Tax Compliance Act

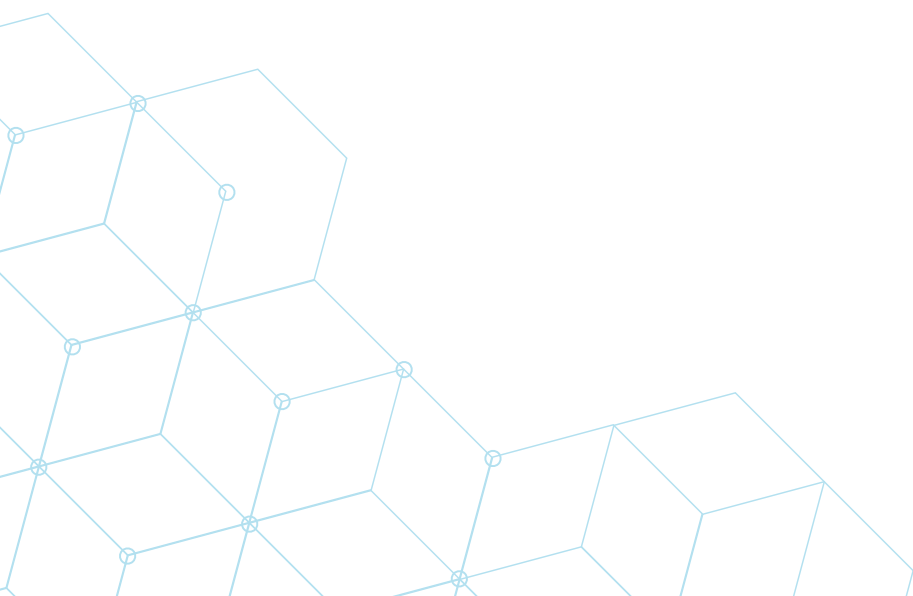
In compliance with the United States (US) income tax laws commonly referred to as the Foreign Account Tax Compliance Act ('FATCA') and the Intergovernmental Agreement signed between the US and Australian Governments in April 2014 in relation to FATCA, the Fund will be required to provide information to the ATO in relation to Investors that are:

- › US citizens or residents;
- › entities controlled by US persons; and
- › financial institutions that do not comply with FATCA.

Where Investors do not provide appropriate information to the Fund, the Fund will also be required to report those accounts to the ATO.

Common Reporting Standards (CRS)

CRS is the 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 may be required 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).





8.0 Additional Information

8.1 Summary of material documents

The following is a summary of material documents relevant to the Fund. The material documents are:

- › Trust Deed
- › Investment Management Agreement
- › Administration Agreement

You should consider whether it is necessary to obtain independent advice on any of the documents.

Trust Deed

The Trust Deed is the primary document that governs the way the Fund operates and sets out many of the rights, liabilities and responsibilities of both the Trustee and Investors.

Each Unit gives you an equal and undivided interest in the Fund. However, a Unit does not give you an interest in any particular part of the Fund. Subject to the Trust Deed, as an Investor you have the following rights:

- › The right to share in any distributions.
- › The right to attend and vote at meetings of Investors.
- › The right to participate in the proceeds of winding up of the Fund.
- › The Trust Deed contains provisions about convening and conducting meetings of Investors.

The Trustee can amend the Trust Deed without Investors' approval provided it reasonably considers the change will not adversely affect Investors' rights.

The Trust Deed can also be amended by a special resolution passed by Investors.

A copy of the Trust Deed is available free of charge by contacting the Trustee on:

- › +61 3 8352 7120.

Investment Management Agreement

The Investment Management Agreement is between the Investment Manager and the Trustee under which the Investment Manager provides investment management services to the Fund.

The Investment Management Agreement sets out the Investment Manager's obligations to the Trustee and to the Fund. The agreement also contains the arrangements in relation to the Fees and Costs that are summarised in Section 5.

The Investment Management Agreement will remain in force until the Fund is wound up, unless the agreement is terminated earlier in accordance with its provisions. The agreement can be terminated by the Trustee if the Investment Manager is in material breach of the agreement, and that breach has not been remedied after a certain time. There are also provisions allowing the Trustee to terminate if, for example, the Investment Manager becomes insolvent.

The Investment Manager is permitted to terminate the agreement in certain circumstances, such as if the Trustee ceases to be the trustee for the Fund.

Administration Agreement

The Administration Agreement is between the Administration Manager and the Trustee under which the Administration Manager provides fund administration and accounting services to the Fund.

The Fund Administration Agreement sets out the Administration Manager's obligations to the Trustee and to the Fund. The agreement also contains the fees payable to the Administration Manager for its services.

8.2 Related party transactions

The Trustee may from time to time face conflicts between its duties to the Fund as trustee, its duties to other funds that it manages and its own interests. The Trustee will manage any conflicts in accordance with its conflicts of interest policy, the Trust Deed, ASIC policy and the law.

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. All transactions will be effected at market rates or better for the Fund.

The Borrowers and Investment Manager may be related entities. Enforcement action procedures, if required, in the event of default on the Loan by the Borrower will be managed by the Trustee and is set out above in Section 3.6.

8.3 Privacy

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.

8.4 Anti-money laundering law

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

The Trustee may need to identify:

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

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

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

8.5 Consents

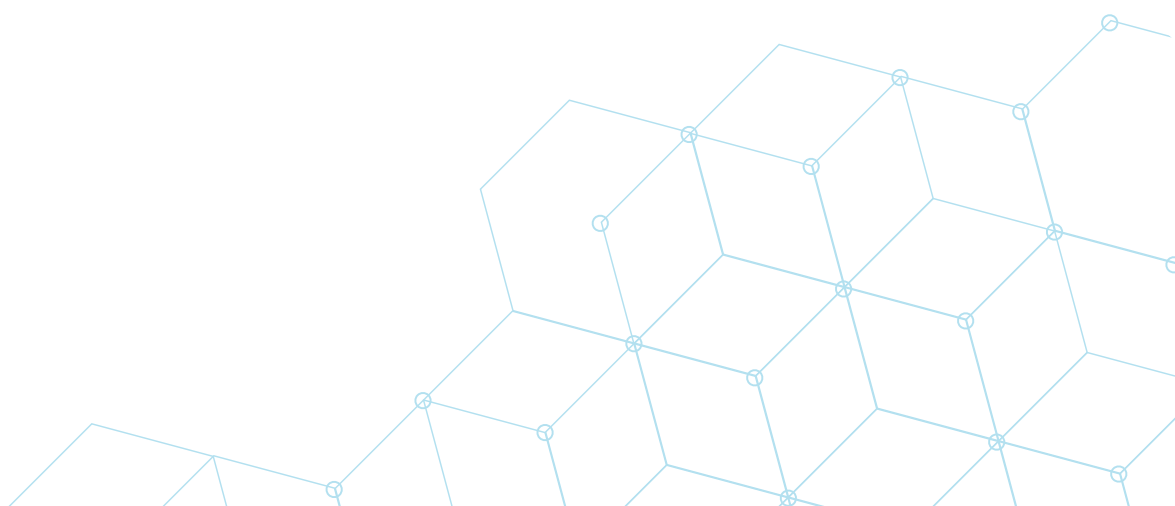
Written consent to be named in the IM in the form and context in which they are named have been provided by the following parties who have not withdrawn their consent prior to the date of this IM:

- › Auspacific Capital Management Pty Ltd
- › Vasco Funds Management Pty Ltd

9.0 Glossary

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| Administration Manager | Vasco Funds Management Pty Ltd ACN 610 512 331 |
| AFS licence | Australian financial services licence. |
| Application Form | The application form included in or accompanied by this IM. |
| Application Money | The money paid by an applicant for Units. |
| APRA | Australian Prudential Regulation Authority. |
| ASIC | Australian Securities and Investments Commission. |
| ASX | The Australian Securities Exchange Limited. |
| Borrower | An entity which the Fund lends money to under the terms of Loan Agreement. |
| Business Day | A day on which banks are open for business in Melbourne, except a Saturday, Sunday or public holiday. |
| Class | A class of Units. |
| Corporations Act | Corporations Act 2001 (Cth) for the time being in force together with the regulations of the Corporations Act. |
| Fees and Costs | The fees, costs and expenses payable to the Trustee, the Administration Manager and Investment Manager as set out in Section 5. |
| Fund | Auspacific Investment Fund |
| GST | Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999, as amended. |
| IM | This information memorandum. |
| Investment Management Agreement | The investment management agreement between the Trustee and the Investment Manager dated on or about the date of this IM. |
| Investment Manager | Auspacific Capital Management Pty Ltd ACN 617 521 285, an authorised representative (number 1252446) of D H Flinders Pty Ltd ACN 149 601 596 AFS licence number 353001. |
| Investment Option | Options offered to Investors to invest for different investment terms, distribution frequencies at different rates of target return. Information in relation to each Investment Option is set out in the Term Sheet relating to the Investment Option. Each Investment Option is a separate class of Units under the Fund. |
| Investor | A holder of Units. |
| Loans | The monies lent by the Fund to the Borrowers under the terms of a Loan Agreement. |
| Loan Agreement | An agreement to be entered into between Vasco Investment Managers Limited as trustee for the Auspacific Investment Fund and any Borrower. |
| Minimum Investment Amount | The minimum amount required to be invested into the Fund is specified in the Term Sheet for each Investment Option. The Trustee has the discretion to accept amounts lower than the specified. |
| Minimum Term | The amount of time each Investor has to remain invested in the Fund before being able to participate in a Withdrawal Offer, and is specified in the Term Sheet for each Investment Option. |
| Offer | The offer under this IM to acquire Units. |

| | |
|---------------------------------|---|
| Qualifying Investor | The Offer is only available to persons who, if they reside in Australia, are a wholesale client as defined in section 761G of the Corporations Act and, if they reside in Singapore, are an accredited investor or certain other person prescribed under s305 of the Securities and Futures Act (collectively, “Qualifying Investors”). |
| Security and Futures Act or SFA | Singapore’s Securities and Futures Act (Chapter 289). |
| Target Income Return | The return payable to investors in an Investment Opportunity as specified in the Term Sheet for each Investment Option. The Target Income Return is not a forecast and returns are not guaranteed. |
| Term Sheet | A document issued by the Trustee which sets out the terms of investment in a particular Investment Option (which is a Class of Unit under the Trust Deed) which will specify amongst other things the targeted income return, distribution frequency and minimum investment term. |
| Trust Deed | The trust deed establishing the Fund dated 17 March 2017 as amended from time to time. |
| Trustee | Vasco Investment Managers Limited ACN 138 715 009, holder of AFS licence number 344486. |
| Unit | A unit in the Fund. |
| Withdrawal Request | A withdrawal request by an Investor to withdraw from the Fund. |
| Withdrawal Offer | An offer to withdraw from the Fund made by the Trustee as detailed in Section 10. |



10.0 Application for Units and Withdrawals

10.1 Applications for units

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

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

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

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

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

- › **Vasco Investment Managers Limited**
Level 5, 488 Bourke Street
Melbourne Victoria 3000
Australia

Telephone +61 3 8352 7120

Fax +61 3 8352 7199

Email info@vascofm.com

All application money payments should be made as follows:

- › **by cheque**

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

- › **by electronic transfer**

Electronic transfers should be made to:

“Vasco Investment Managers Limited ATF Auspacific Investment Fund” **c/o Macquarie Bank**

BSB: 182 512

Account: 965009160

and identified by the name of the person or entity making the transfer (including ACN or ABN) where applicable.

The Macquarie Bank Swift Code is MACQAU2SXXX.

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

10.2 Unit allotment

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

An application for units constitutes an offer by the applicant to subscribe for units on the terms and subject to the conditions set out in this IM. Where the number of units allotted is less than the number of units applied for or where no allotment is made, the surplus application monies will be returned to the applicant by cheque within 14 days of the relevant closing date. Interest will not be paid on refunded application monies. Any interest earned on application monies will be retained by the Trustee and will not form part of the Fund’s assets.

10.3 Minimum investment

The Minimum Investment Amount for each Unit Class is specified in the relevant Term Sheet, subject to the Trustee's absolute discretion to accept applications for lesser amounts.

The offer of subscription for units in respect of the Offer is expressly restricted to wholesale clients as defined in the Corporations Act and accredited investor or certain other person prescribed under s305 of the Securities and Futures Act (collectively, "Qualifying Investors").

However, the Trustee has the discretion to accept applications from people who are not Qualifying Investors, provided these people are otherwise permitted by law to participate in the Offer.

By lodging an application for units in respect of the Offer contained in this IM, the prospective Investor declares and warrants to the Fund that they are and will remain a wholesale client as defined in the Corporations Act or are otherwise permitted by law to participate in the Offer.

10.4 Withdrawals

Investors are unable to withdraw from the Fund before the Minimum Term specified in the Term Sheet for the Investment Options in which they are invested.

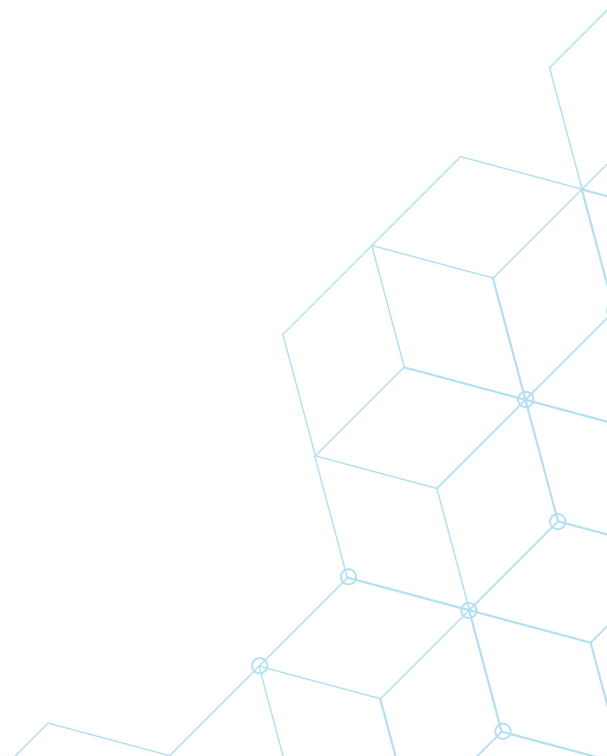
Once the Minimum Term is reached, investors will be able to participate in quarterly Withdrawal Offers provided by the Trustee, subject to available liquidity. Liquidity is ordinarily provided by the completion of a development project and the repayment of Loans to the Fund by a Borrower.

Investors wanting to take advantage of the Withdrawal Offer must complete and submit to the Trustee a Withdrawal Request by the end of the calendar quarter before the Withdrawal Offer is made. For example, all Withdrawal Requests received in April, May and June will be satisfied as at the end of June, subject to available liquidity.

Where there are insufficient funds to satisfy all Withdrawal Requests received in response to a Withdrawal Offer, Withdrawal Requests will be satisfied on a pro-rata basis.

Withdrawal Request forms are available on the Trustee's website at www.vascofm.com.

It is possible that the Trustee will not make a Withdrawal Offer during the term of the Fund and you will therefore not be able to withdraw your investment in the Fund until the Trustee winds up the Fund.



Application Form

Auspacific Investment Fund



Use this application form if you wish to invest in:

Auspacific Investment Fund

The Information Memorandum (IM) dated 3 April 2017 for the Auspacific Investment Fund (Fund) includes information about purchasing units in the Fund. Any person who gives another person access to the application form must also give the person access to the IM and any incorporated information. You should read the IM and any incorporated information before completing this application form.

The trustee of the Fund is Vasco Investment Managers Limited (Vasco) ABN 71 138 715 009, AFSL 344486. Vasco or a financial adviser who has provided an electronic copy of the IM and any incorporated information, will send you a paper copy of the IM and any incorporated information and application form free of charge if you so request.

Customer identification

If you are a new investor, you are also required to complete the relevant Customer Identification Form (FSC/FPA forms) 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 this 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 this Customer Identification Form together with the verification procedure and in the consideration of Vasco Investment Managers Limited (Vasco) accepting the investor's application:

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

Contact details

Mail your completed application form and identity verification documents to:

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

If you have any questions regarding this form or the required Customer Identification requirements, please contact our Investor Services team on 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 cheque, ensure cheque is made payable to 'Vasco Investment Managers Limited ATF Auspacific Investment Fund' and attach it to this application form;
- ☐ read the declaration and provided all relevant signatures.

Application Form

Auspacific Investment Fund



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

1. Investor type

- ☐ 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 – Regulated Trusts inc SMSFs’
- ☐ Trust – also complete ‘Customer Identification Form – Unregulated Trusts & 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.

2. Investor name

2A. Individual investor/joint investors/sole trader

Investor 1

Surname

Full given name(s)

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

Business name of sole trader (if applicable)

Investor 2

Surname

Full given name(s)

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

2B. Super fund/Trust/Australian company/ Foreign company/other

Name of entity

2C. Account designation (if applicable)

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

Surname

Full given name(s)

Title (Mr/Mrs/Miss/Ms)

We are only required to act on instructions from the investors listed in 2A and 2B. Vasco is not bound to take any notice of any interest of any person listed in 2C.

3. Contact details

This is the address where all correspondence will be sent.

[illegible]

4. 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).

[illegible]

4c. Non-residents

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

[illegible]

5. 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.

☐ Cheque → make cheque payable to 'Vasco Investment Managers Limited ATF Auspacific Investment Fund'.

[illegible]

Qualifying Investor instructions: For investments less than AU\$500,000 a certificate (in a form provided by Vasco) is required from an accountant qualified under a professional body approved by ASIC unless the investor holds an AFSL. If residing in Singapore and investing less than SG\$200,000, suitable documentary evidence (in a form provided by Vasco) is also required.

Investor AFSL number (if applicable):

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| | | | | | | | |
|--|--|--|--|--|--|--|--|

Cheque Instructions: Cheques or drafts must be made payable to Vasco Investment Managers Limited ATF Auspacific Investment 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 Victoria 3000
P +61 3 8352 7120 F +61 3 8352 7199 E info@vascofm.com

Alternatively you can direct credit your application funds to:

Direct Credit / EFT Instructions for AUD investment

Direct Credit / EFT Instructions for AOD Investment
Vasco Investment Managers Limited ATF Auspacific Investment Fund
Macquarie Bank
BSB - 182 512
Account number - 965009160
Swift Code - MACOAU2SXXX

Please note the applicants name when transferring the funds.

6. Annual report

☐ I wish to receive a copy of the annual report.

7. Nominated bank account

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.**

Financial institution

Branch

Account name

Branch number (BSB)

Account number

Swift code (for Accounts held outside of Australia)

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

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

I/We declare that:

- all details in this application and all documents provided are true and correct and I/we indemnify the Trustee of the Fund against any liabilities whatsoever arising from acting on any of the details or any future details provided by me/us in connection with this application;
- I/we have received a copy of the current IM and all information incorporated into the IM (including the Term Sheet for the relevant Investment Option) to which this application applies and have read them and agree to the terms contained in them and to be bound by the provisions of the current IM (including the incorporated information) and current Constitution (each as amended from time to time);
- I/we have legal power to invest in accordance with this application and have complied with all applicable laws in making this application;
- I/we have received and accepted this offer in Australia or Singapore;
- the details of my/our investment can be provided to the adviser group or adviser named at the end of this form or nominated by them by the means and in the format that they direct;
- if this application is signed under Power of Attorney, the Attorney declares that he/she has not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it);
- sole signatories signing on behalf of a company confirm that they are signing as sole director and sole secretary of the company;
- I/we have read and understood the terms and conditions for the use of telephone and fax and release and indemnify Vasco from and against any liabilities whatsoever arising out of it acting on any communications received by telephone and fax under those terms;
- unless alternative authority for signature is notified to and accepted by Vasco, the person/persons that signs/sign this form is/are able to operate the account on behalf of the company and bind the company for future transactions, including in respect of additional deposits and withdrawals, including withdrawals by telephone and fax;
- I/we acknowledge that I/we have read and understood the information under the heading 'Privacy' contained in the relevant IM. I am/We are aware that until I/we inform Vasco otherwise, I/we will be taken to have consented to all the uses of my/our personal information (including marketing) contained under that heading and I/we have consented to my/our financial adviser providing such further personal information to Vasco as is required or reasonably deemed necessary by Vasco under applicable law;
- I/we understand that if I/we fail to provide any information requested in this application form or do not agree to any of the possible use or disclosure of my/our information as detailed on the IM, my/our application may not be accepted by 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;
- I/we acknowledge that, unless specified in the Information Memorandum, 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 Constitution and that an application for Units is binding and irrevocable;
- I/we have not relied on statements or representations made by anybody, other than those made in the IM;
- 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 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;
- I/we acknowledge and agree to having read and understood the risks of investing in the fund as described in the Information Memorandum 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 also warrant and acknowledge that:

- All information contained in my/our Application is true and correct;
- I/we are not subject to the reporting requirements of FATCA;
- I/we are not a Politically Exposed Person (PEP) as defined by the AML/CTF legislation;
- I/we are, if residing in Australia, a "wholesale client" for the purposes of section 761G of the Corporations Act or, if residing in Singapore, an "accredited investor" or certain other person prescribed under s305 of the Securities and Futures 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 or the Securities and Futures 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.

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

Refer to list of signatories on the following page of this application form

Investor 1

Signature

Date

/
/

Surname

Given name(s)

Capacity

☐ Sole Director
☐ Director

(company investments only)

Investor 2 (joint investors)

Signature

Date

/
/

Surname

Given name(s)

Capacity

☐ Director
☐ Company Secretary

(company investments only)

COMPANY SEAL
(if applicable)

9. Adviser use only

Office name

Surname

Given name(s)

Title (Mr/Mrs/Miss/Ms)

Phone (business hours)

Adviser group

Adviser group AFSL

Adviser Signature

Date

/
/

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. | 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 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.

Schedule - Offering legends

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

Australia

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

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

Singapore

The Fund is a restricted scheme as referred to in s305 of the SFA and an application for registration will be submitted to the Monetary Authority of Singapore prior to any offer made to investors in Singapore. This IM has been prepared on the basis that prospective Investors from Singapore are accredited investors or certain other persons prescribed under s305 of the SFA. Accordingly, this scheme is not authorised or recognised by the Monetary Authority of Singapore and Units in this scheme are not allowed to be offered to the retail public. Further, this IM is not a prospectus as defined in the Securities and Futures Act and, accordingly, statutory liability under the Securities and Futures Act in relation to the content of prospectuses does not apply, and the offeree should consider carefully whether the investment is suitable for them. The Trustee, Investment Manager and Fund are all regulated by the Australian Securities and Investments Commission (ASIC) under the Corporations Act 2001(Cth). ASIC is located at 120 Collins Street, Melbourne VIC 3000, Australia and can be contacted on 1300 300 630.

China

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

Corporate Directory

Investment Manager

Auspacific Capital Management Pty Ltd

Level 8
520 Collins Street
Melbourne VIC 3000

Telephone +61 3 9620 0887

Email info@auspac.com

Trustee

Vasco Investment Managers Limited

Level 5, 488 Bourke Street
Melbourne VIC 3000
Australia

Telephone +61 3 83527120

Email info@vascofm.com

Administration Manager

Vasco Funds Management Pty Limited

Level 5, 488 Bourke Street
Melbourne Victoria 3000
Australia

Telephone +61 3 83527120

Email info@vascofm.com





AUSPACIFIC
PROPERTY INVESTMENT