



# Auspacific Income Generator Fund #1

## Information Memorandum

**18 January 2019**

**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

## IMPORTANT INFORMATION

This Information Memorandum (**IM**) is dated 18 January 2019.

This IM details the features, benefits, risks and general information about an investment in Class A of the Auspacific Income Generator Fund #1 (**Fund**).

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

The Trustee has appointed Auspacific Capital Management Pty Ltd ACN 617 521 285 (**Investment Manager**) as the investment manager of the Fund.

The Investment Manager is a corporate authorised representative (No. 001252446) of D H Flinders Pty Ltd ACN 141 601 596 AFSL number 353001.

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

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

## Unit Classes

The Trustee of the Fund may issue Units in different Unit Classes which offer Investors different rights, features or benefits. The performance of different Classes may also differ depending on the investments of that Class.

Where relevant, the specific information of a Unit Class that may differ from, or elaborate on, the information contained in this IM may be set out in the relevant supplementary information memorandum.

## Glossary

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

## Images

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

## Updated information

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

## Questions

Any questions regarding this IM should be directed to the Investment Manager on +61 415 508 600 or the Trustee on +613 8352 7120 or at [info@vascofm.com](mailto:info@vascofm.com) or at Level 5, 488 Bourke Street, Melbourne, Victoria, 3000, Australia.

## ASIC

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

## Restrictions on distribution

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 Issuer 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 offered should consider carefully whether the investment is suitable for them.

The Issuer and Investment Manager are 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.

## Investor to undertake own due diligence

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

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

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

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

Prospective Investors are strongly encouraged to undertake their own due diligence in relation to the Fund before making

an investment. In addition, prospective Investors should read this IM in its entirety and seek independent professional advice as to the financial, taxation and other implications of investing in the Fund and the information contained in this IM.

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

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

## Important Warning Statements

### *No performance guarantee*

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

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

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

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

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

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

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

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

Investors should refer to Section 3.5 under the heading “Redemptions” for details of the withdrawal rights.

## *No representation other than this IM*

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

No person is authorised to give any information or to make any representation in connection with the Offer of Units in the Fund described in this IM, which is not in this IM. This IM supersedes any prior IM or marketing materials given prior to the issue of the IM to the extent of any inconsistency. Any information or representation in relation to the Offer of Units in the Fund described in this IM not contained in this IM may not be relied upon as having been authorised by the Trustee, the Investment Manager or their advisers.

## **Forward looking statements**

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

Furthermore, any projections or other estimates in this IM, including estimates of returns or performance, are “forward-looking statements” and are based upon certain assumptions that may change.

Due to various risks and uncertainties, including those set forth under “Risks” in Section 6, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

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

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

## **Confidentiality**

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

## **Summary of key documents only**

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

## **Independent financial advice**

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

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## 1. Key Features

The table below is only a summary of the key features of an investment in the 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.

This IM details the features, benefits, risks and general information about an investment in the Auspacific Income Generator Fund #1 (**Fund**). The Trustee of the Fund may issue Units in different Unit Classes which offer Investors different rights, features or benefits. Where relevant, the specific information of a Unit Class that may differ from, or elaborate on, the information contained in this IM may be set out in the relevant supplementary information memorandum.

Feature	Description	Further Details
Investment Manager	Auspacific Capital Management Pty Ltd	4.1
Trustee	Vasco Investment Managers Limited	4.2
Administration Manager	Vasco Funds Management Pty Limited	4.2
Investment structure	The Fund is an open-ended unlisted unregistered managed investment scheme structured as a unit trust. The Fund provides Investors with an opportunity to acquire Units in the Fund which entitle them to returns (primarily income and capital gains) generated by the Fund.	3.1
Investment Strategy	<p>The Fund will invest in a diversified portfolio of assets selected by the Investment Manager with a view to generating a steady stream of income and preserving Investor capital.</p> <p>The Investment Manager's mandate is to invest in:</p> <ol style="list-style-type: none"> <li>1. bonds and fixed interest securities;</li> <li>2. cash and similar short-term money market products, including highly liquid cash funds;</li> <li>3. other managed investment funds which predominantly invest in secured loans, mortgage backed securities, and bonds.</li> </ol> <p>Further information about the Investment Manager's investment strategy including the Fund's target asset allocations is outlined in Section 2 "Investment Strategy".</p>	2
Target Return	<p>The Investment Manager is targeting a return to Investors which exceeds the RBA Cash Rate plus 3% (<b>Target Return</b>).</p> <p>Under current market conditions, the Target Return is 4.5% per annum after all fees and expenses but before withholding tax payable by foreign resident Investors.</p> <p>This is a target return only and is not a forecast or a guaranteed return.</p>	3.1
Minimum Investment Amount	\$100,000 and then in multiples of \$50,000, subject to the Trustee's discretion to accept lesser initial or additional amounts.	-
Maximum Fund Size	There is no maximum fund size. The Trustee retains the discretion to stop accepting new or additional investment applications from Investors at any point.	-
Issue of Units	Units will ordinarily be issued within 10 Business Days of the end of the month in which a completed Application Form and investment monies are received.	3.3

## Auspacific Income Generator Fund #1

Feature	Description	Further Details
Distributions	<p>Distributions will ordinarily be calculated and paid on a calendar quarterly basis, subject to available liquidity.</p> <p>Distributions will be automatically reinvested unless Investors make an election on their Application Form to have the Distribution paid to them.</p>	3.6
Redemptions	<p>Withdrawal Requests will be paid on a monthly basis, subject to available liquidity. Where there is insufficient liquidity to pay all redemptions, Withdrawal Requests will be paid on a pro rata basis based upon the level of cash available to meet the Withdrawal Requests.</p>	3.5
Qualifying Investors	<p>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 section 305 of the Securities and Futures Act.</p>	3.2
Entry and exit fees	<p>The Investment Manager may charge Investors a once off application fee of up to 1% of the investment amount (which may be waived or reduced at the discretion of the Investment Manager).</p> <p>The Trustee will charge Investors processing fees of \$50 (plus any currency exchange charges) where they have requested their distributions or redemptions to be paid to an overseas bank account.</p>	5.1
Buy-sell spread	<p>A buy/sell spread of up to 1% may be factored into the Unit Price calculation of the Fund on entry and exist to account for transaction costs incurred by the Fund. This amount will be retained by the Fund.</p> <p>The buy and sell spreads may be updated from time to time and will be published online at <a href="http://www.vascofm.com">www.vascofm.com</a> or by contacting Vasco Investment Managers Limited on +613 8352 7120.</p>	5.4
Fees and Costs	<p>The ongoing fees and costs payable by the Fund in relation to the management of the Fund include:</p> <ul style="list-style-type: none"> <li>- Investment Management fees of: <ul style="list-style-type: none"> <li>o 0.75% per annum of the gross asset value of the Fund;</li> </ul> </li> <li>- Trustee fees of <ul style="list-style-type: none"> <li>o 0.1% per annum of the Fund's gross asset value on amounts up to \$100 million, subject to a minimum fee of \$25,000 per annum; plus</li> <li>o 0.05% per annum of the Fund's gross asset value on amounts greater than \$100 million but less than \$200 million; plus</li> <li>o 0.03% per annum of the Fund's gross asset value on amounts greater than \$200 million; and</li> <li>o \$250 per set of investment documents</li> </ul> </li> <li>- Administration fees of up to \$25,000 per annum subject to a 4% increase on the 1st of January of each year; and</li> <li>- expenses properly incurred by the Trustee, Investment Manager or Administration Manager in connection with performing their respective duties, which are expected to be no more than 0.5% per annum of the Fund's gross asset value</li> </ul>	5
Trustee termination fee	<p>The Trustee will be entitled to a termination fee of \$9,500 where the Fund is terminated or Vasco is replaced as trustee of the Fund.</p>	5

## Auspacific Income Generator Fund #1

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Feature	Description	Further Details
Borrowings	The Fund will not have any borrowings. The underlying managed funds which the Fund invests in may borrow.	2.2
Risks	It is important that you read and consider the risks associated with and investment in the Fund before deciding whether to invest. For example, distributions and capital returns are not guaranteed.	6



## 2. Investment Strategy

### 2.1 Overview

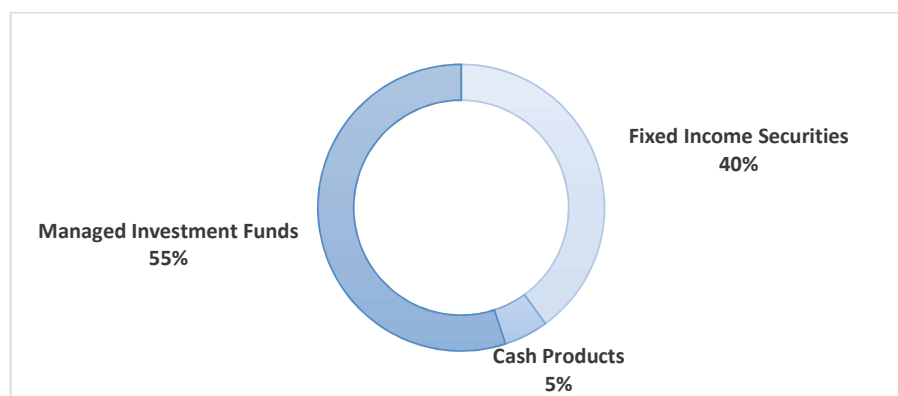
The Fund will invest in a range of income producing investments selected by the Investment Manager including:

- bonds and fixed income securities such as Australian government, semi government and corporate bonds
- cash products and short-term money market investments, including highly liquid cash funds; and
- other managed investment funds which invest predominantly in secured loans, mortgage backed securities and bonds.

The Investment Manager believes that these investments provide Investors with the potential for consistent income streams with low volatility and, as a general rule, are less volatile than equities and are likely to provide Investors with predictable returns.

### 2.2 Asset Allocation

The Investment Manager intends to invest the assets of the Fund as follows:



The asset allocations outlined in this section are for indicative purposes only, and the Investment Manager might alter this allocation from time to time at their discretion. There is no guarantee that the Fund will exhibit these exact characteristics at any point in time.

### 2.3 Target Return

The Investment Manager is targeting an annual return which exceeds the RBA Cash Rate plus 3% (after fees and expenses but before withholding tax payable by foreign resident Investors). Under current market conditions, the target return is equal to 4.5% pa. This is a target return only and is not a forecast or a guaranteed return.

### 2.4 Borrowings

There will be no borrowing (leverage) within the Fund. The underlying managed funds which the Fund invests in may borrow or become a party to transactions which create leverage.

### 2.5 Valuation Policy

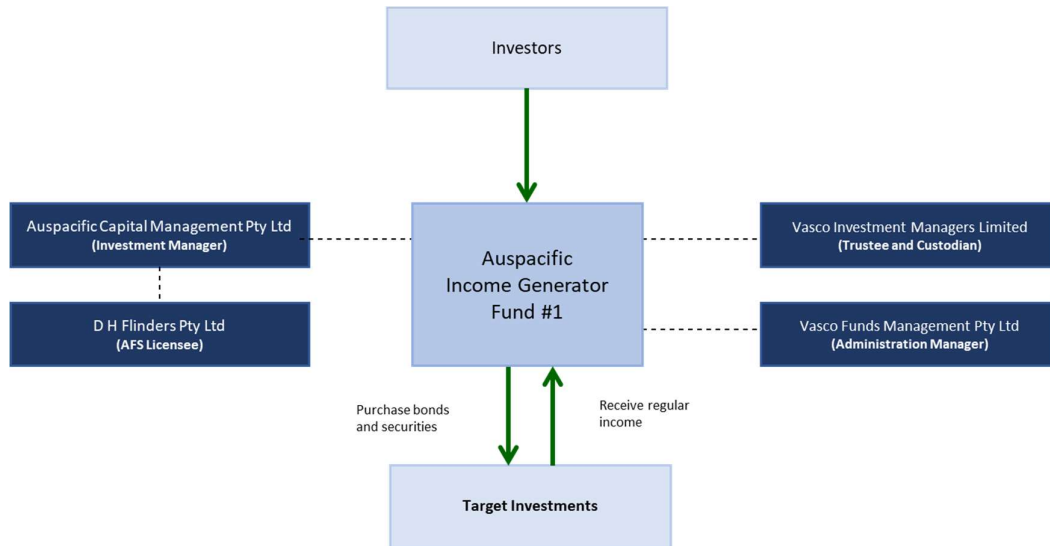
The Trustee maintains and complies with a written valuation policy, which is reviewed at least annually or as market circumstances dictate. This policy may be updated from time to time and is available on the Trustee's website at [www.vascofm.com](http://www.vascofm.com).

### 3. Offer Details

#### 3.1 Investment Structure

The Fund has been established to invest directly and indirectly in a range of fixed income investments and is targeting a return which exceeds the RBA Cash Rate plus 3% per annum (after fees and expenses but before withholding tax payable by foreign resident Investors).

The following diagram illustrates the structure of the Fund and relevant parties involved:



Legally, the Fund is an unlisted, unregistered managed investment scheme structured as a unit trust and established by a Constitution dated 9 January 2019 which regulates the relationship between the Trustee and Investors. The monies contributed by Investors as Application Money will be pooled and invested in accordance with the investment strategy detailed in Section 2 above.

As at the date of this IM, there is no requirement or intention to register the Fund with ASIC or to list the Fund on a secondary market such as the ASX.

Vasco Investment Managers Limited is the trustee of the Fund. The Trustee has appointed Auspacific Capital Management Pty Ltd as the Fund's investment manager, having responsibility for, among other things, marketing the Fund and managing the Fund's investments.

The Trustee has also appointed Vasco Funds Management Pty Limited as the Fund's administration manager, having responsibility for, among other things, processing applications and fund accounting.

#### 3.2 Qualifying Investors

This Offer is generally only available to wholesale clients within the meaning of the Corporations Act. A wholesale client means an Investor who:

- invests \$500,000 or more in the Fund or
- if investing less than \$500,000:
  - 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).

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.

The Trustee reserves the right to reject an application without providing a reason.

### 3.3 Issue of Units

Units will ordinarily be issued within 10 Business Days of the end of the month in which a completed Application and the investment amount are received.

However, the issue of Units may be delayed if the Trustee is unable to obtain a valuation or unit price for any of the Fund's underlying investments on which it can then determine the Unit Price for the Fund.

Further detail about applying for Units in the Fund is outlined in Section 10.

### 3.4 Unit Price

Subject to any buy-sell spread (see Section 5.4), the Unit Price is based on the underlying value of the Fund's assets and is calculated in accordance with the terms of the Constitution.

This price of a Unit calculated at the time of withdrawal may be different from the price originally paid for the Unit as the Fund's assets are re-valued.

The Unit Price will be updated on the Trustee's website from time to time.

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.

### 3.5 Redemptions

Withdrawal Requests will be honoured on a monthly basis subject to available liquidity.

Where there is insufficient liquidity in a given month to satisfy all Withdrawal Requests, Investors will be redeemed pro-rata each month until their Withdrawal Request is satisfied in full.

Withdrawal requests must be lodged at least 20 days prior to the end of the month. Withdrawal forms are available online at [www.vascofm.com](http://www.vascofm.com).

Under the terms of the Constitution, in certain situations, the Trustee is able to, amongst other things, suspend all redemptions or compulsorily redeem Investors where it believes that doing so is in the best interests of Investors in the Fund as a whole.

### 3.6 Distributions

Distributions will ordinarily be calculated on a calendar quarterly basis, and ordinarily paid to Investors within 10 Business Days of the end of each calendar quarter. However, the distribution calculated for the month of June will be adjusted to reflect the financial performance of the Fund following the finalisation of the Fund's annual accounts and is expected to be paid by 30 September of each year.

The Trustee may also decide not to distribute amounts which it reasonably considers necessary to meet any outgoings or liabilities (actual or contingent) in respect of the Fund including any amounts required for tax withholdings. Taxes paid or withheld that are allocable to one or more Investors will be deemed to have been distributed to such Investors for the purposes of determining the above calculations.

Distributions to Investors will take into account the number of Units held by the Investor on the last day of each quarter.

## 4. Management of the Fund

### 4.1 The Investment Manager

Auspacific Capital Management Pty Ltd (**Investment Manager**) is the Fund's investment manager and is responsible for marketing the Fund and managing the Fund's investments.

The Investment Manager 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 multilingual teams working towards developing a professional global investment platform for its clients.

The senior management team of the Investment Manager include:

- **Tony Shen**

- Managing Director**

- Mr Tony Shen is the Founder and Managing Director of Auspacific Property Investment, Auspacific Project Management and Auspacific Capital Management. He established the first Auspacific company in 2008 and has since expanded it to an outstanding group of companies within a short span of time. Auspacific is a diversified group with operations across property investment, project development and management, real estate marketing, funding and consultancy.

- Auspacific have subsidiaries and branch representative offices in Beijing, Shanghai, Nanjing and Hong Kong. From fund management to development, from construction to building operations - in everything we do, we believe in delivering exceptional quality and outstanding performance. Our focus is on quality and efficient service and we have a huge database of international clientele and investors. We have multi-lingual teams that strive for perfection and work toward developing the most professional global investment platform.

- Mr Shen has over ten years' experience within the property industry. He has a strong understanding of the real estate market and specializes 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 successful development of the Auspacific Group.

- **William Chen**

- Chief Investment Officer**

- Mr. Chen holds double master's degree from Monash University, and also has ten years' experience within the investment industry. He has a strong understanding of the capital market and specializes in equities, FX, fixed income and derivatives investment, overseeing the sourcing and assessment of new opportunities. Mr. Chen's sophisticated knowledge of the capital market, investment, and market drivers within Australia and will support the future development of the Auspacific Group.

### 4.2 The Trustee and Administration Manager

Vasco Investment Managers Limited (**Trustee**) and Vasco Funds Management Pty Limited (**Administration Manager**) are part of an investment management group (**Vasco**) 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 \$1.5 billion Australian Unity Healthcare Property Trust ARSN 092 755 318 and the \$1.5 billion AIMS AMP Capital Industrial REIT listed on the Singapore Securities Exchange.

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

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

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

## 5. Fees and Costs

### 5.1 Investor and fund fees and costs

The table below sets out the fees and costs (excluding of GST unless otherwise stated) that Investors or the Fund may be charged.

Type	Amount	Paid to and when
<b>Fees and costs paid directly by each Investors</b>		
<b>Application fee</b>	Up to 1% (inclusive of GST) of the Investor's application amount	Paid to the Investment Manager on the acceptance of the investor's application.
<b>Overseas transfer fee</b>	\$50 (plus any currency exchange charges)	Paid to the Fund prior to processing each transfer to an Investors overseas bank account
<b>Buy/sell spread</b>	Up to 1.0%  See Section 5.4 below for more information about the calculation and disclosure of the buy and sell spread	Included in the issue and redemption prices and retained by the Fund
<b>Fees and costs paid by the Fund</b>		
<b>Investment management fee</b>	0.75% (plus GST) per annum of the Fund's gross asset value.	Paid to the Investment Manager monthly in arrears
<b>Trustee fee</b>	A minimum annual fee being the greater of \$25,000 or: <ul style="list-style-type: none"> <li>- 0.10% per annum of the Fund's gross asset value on amount up to \$100 million; plus</li> <li>- 0.05% per annum of the Fund's gross asset value on amounts greater than \$100 million but less than \$200 million; plus</li> <li>- 0.03% per annum of the Fund's gross asset value on amounts greater than \$200 million.</li> </ul> This fee accrues and is calculated monthly from execution of the Constitution.	Paid to the Trustee monthly in arrears
<b>Trustee termination fee</b>	\$9,500 plus GST where the Fund is terminated or Vasco is replaced as trustee of the Fund	Paid to the Trustee immediately prior to their termination or replacement
<b>Document execution fee</b>	A documentation execution fee of \$250 for each set of brokerage or investment documentation entered into by the Trustee	Paid to the Trustee as and when incurred

Type	Amount	Paid to and when
<b>Administration fee</b>	<p>Either:</p> <ul style="list-style-type: none"> <li>\$20,000 per annum where the gross asset value of the Fund is less than \$10m and there are less than 25 Investors; or</li> <li>\$25,000 per annum where the gross asset value of the Fund is \$10m or more or there are 25 or more Investors;</li> </ul> <p>The administration fee is subject to an annual increase of 4% on 1 January of each year.</p>	Paid to the Administration Manager monthly in arrears
<b>Expenses</b>	<p>Up to 0.5% per annum of the Fund's gross asset value.</p> <p>See 5.3 for more information about the calculation of expenses.</p>	Paid to the relevant party as and when incurred

## 5.2 Payment of fund fees and costs

The Investment Manager has agreed to pay the fees and expenses payable by the Fund until such time as they are able to be paid from the assets of the Fund and may at the discretion of the Trustee be reimbursed from the Fund's assets for these payments.

## 5.3 Expenses

The Trustee, Investment Manager and Administration Manager are entitled to be paid or reimbursed for all expenses properly incurred in connection with performing their duties and obligations in the day-to-day operation of the Fund. Such expenses include, but are not limited to, any additional costs associated with the administration or distribution of income, asset management and the management of defaults and arrears.

The Constitution for the Fund sets out the right of the Trustee to be paid or reimbursed for expenses of the Fund reasonably and properly incurred by the Trustee in the proper performance of its duties, and include a non-exhaustive list of the types of the expenses to which the Trustee is entitled to be paid or reimbursed.

## 5.4 Buy sell spread

A buy spread will not be factored into the Unit Price calculation for the initial issuance of Units, which will be at \$1.

A buy spread of up to 1.0% may be factored into the Unit Price calculation of the Fund on the issuance of all subsequent Units. A sell spread of 1.0% may be factored into the Unit Price calculation of the Fund on the redemption of all Units.

Buy and sell spreads are calculated based on the actual or estimated costs the Fund may incur when buying or selling assets, such as brokerage fees. They will be influenced by the Investment Manager's experience of the costs involved in trading these assets or the costs that the Fund has actually paid, and will be reviewed whenever necessary to ensure they remain appropriate.

The buy and sell spreads are retained within the Fund and are not fees paid to the Trustee or the Investment Manager.

The buy and sell spreads may be updated from time to time and will be published online at [www.vascofm.com](http://www.vascofm.com) or by contacting Vasco Investment Managers Limited on +613 8352 7120.

### 5.5 **Change to fees and other costs**

The Trustee may change the above fees and expenses charged to Investors by giving at least one month's written notice to Investors, subject to any fee limits in the Constitution. The Trustee may agree with any Unit holder any fee arrangements with that Unit holder which are different to the fees set out above

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



## 6. Risks

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 prospective Investors should be aware of when investing in the Fund.

Before investing, prospective Investors should consider whether the Fund is a suitable investment, having regard to their personal investment objectives, financial position, particular needs and circumstances.

Prospective Investors should also consider and take into account the level of risk with which they are comfortable, the level of returns they require, as well as their frequency and nature and their investment time horizon. Prospective Investors should seek professional advice in setting their investment objectives and strategies.

The risks described below are not exhaustive and whether a risk is specifically referred to in this section or not, that risk may have a material effect on the performance and value of the Fund.

Importantly, prospective Investors should note that the value of an investment in the Fund, and income received by Investors, may rise or fall and, consequently, Investors may suffer losses (including the loss of all of their capital investment in the Fund).

### 6.1 Market risk

There is a risk that the market value of the Fund's assets will fluctuate. This may occur as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events, environmental and technological issues.

### 6.2 Interest rate risk

Fluctuations in market interest rates may impact on an Investor's investment. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease, and vice versa.

### 6.3 Counterparty and settlement risk

The counterparty to any securities held by the Fund may not comply with the terms of the financial instrument. These risks are influenced by, amongst other things, market practices (e.g. settlement and custody practices), the creditworthiness of the parties the Fund is exposed to including derivative counterparties, and the level of government regulation in countries in which the Fund invests.

### 6.4 Credit risk

The issuer of a debt instrument or banks holding cash deposits may fail to meet an obligation to pay periodic interest, to repay the principal sum at maturity or to otherwise honour its obligations. Unrated or low-grade debt securities are generally subject to greater risk of loss of principal and interest than higher rated securities.

### 6.5 Lower-rated securities risk

Securities rated below investment grade or which are non-rated, generally have more credit risk than higher-rated securities. Below investment grade securities are also generally less liquid than higher-quality securities.

### 6.6 **Liquidity risk**

There is a risk that the market value of the Fund's assets may decline in value due to liquidity risks. For example, in unusual or volatile market conditions, some investments may become illiquid.

It is possible that there may be significant delays before the Trustee can satisfy Withdrawal Requests or that Trustee will not be able to satisfy any Withdrawal Requests and Investors will not be able to withdraw their investment in the Fund until the Fund is wound up by the Trustee.

### 6.7 **Currency risk**

The investment performance of the Fund will be reported in Australian dollars. The Fund may hold investments denominated in foreign currencies, which will be exposed to exchange rate fluctuations. The Fund may from time to time hedge a portion or all of its currency risk, so if the value of the currency where an investment is made changes relative to the Australian dollar, then the value of the Fund may change.

### 6.8 **Fund risk**

These are risks specific to managed funds. These risks include that the Fund could terminate, the fees and expenses of the Fund could change, the Trustee may be replaced as trustee and the Investment Manager may be replaced as investment manager of the Fund.

### 6.9 **Investment risk**

The value of an investment may rise or fall, distributions may or may not be paid and Investor's capital may or may not be returned. No guarantee is made by the Trustee, the Investment Manager, or any of their directors, associates or consultants on the performance of the Fund.

### 6.10 **Management risk**

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

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

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

The Fund is relying on the ability of the Investment Manager and its investment professionals to achieve the Fund's objectives. If the Investment Manager and their investment professionals were not to continue in their respective roles, the Fund may not be able to achieve its objectives.

### 6.11 **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 ASIC, 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 AFSL held by the Trustee thereby preventing the continued operation of the Fund.

### **6.12 Cyber risk and exposure**

Investors should be aware that while the Trustee has implemented technologies, processes, and practices designed to protect its networks, devices, programs, and data (or Information Technology Systems) such Information Technology Systems may still be subjected to malicious attack, damage, or unauthorized access.

Such Information Technology Systems may include the storage of information concerning an Investor's identity, financial interests or other personal details provided to the Trustee in connection with their investment in the Fund.

In the event serious harm is a likely outcome of a breach of the Trustee's Information Technology Systems, the Trustee or Investment Manager (as may be required) will notify the affected individuals and recommend steps that ought to be taken in response to the breach. The Trustee may also be required to notify any regulatory authority as required by law.

### **6.13 Tax risk**

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

### **6.14 Operating history**

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

### **6.15 Fees and expenses**

The Fund will incur fees and expenses regardless of whether it is successful. The Fund will pay investment management fees, Trustee fees and administration fees whether or not it receives its returns.

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

### 6.16 Thinly-capitalised management

The Investment Manager does not have any material independent financial resources. If an action or claim is brought against the Investment Manager and such claim is not covered by the professional indemnity arranged by or on behalf of the Investment Manager, the Fund cannot assure that the Investment Manager will have sufficient financial resources to cover any amounts payable under any such claim.

### 6.17 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. Prospective 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. Taxation information

Each Investor's taxation position will depend on their individual circumstance and Investors should seek their own taxation advice in relation to the taxation of income distributed by the Fund, whether interest, dividends, capital gains, etc.

### 7.1 Tax File Number and Australian Business Number

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%).

### 7.2 Stamp Duty on the transfer of Units

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

### 7.3 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 Investors. 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.

### 7.4 Foreign Account Tax Compliance Act (FATCA)

FATCA is United States (US) tax legislation that enables the US Internal Revenue Service (IRS) to identify and collect tax from US residents that invest in assets through non-US entities. If you are a US resident for tax purposes, you should note that the Fund is or is expected to be a 'Foreign Financial Institution' under FATCA and it intends to comply with its FATCA obligations, as determined by either the FATCA regulations or any inter-governmental agreement (IGA) entered into by Australia and the US for the purposes of implementing FATCA. Under these obligations, the Fund will have to obtain and disclose information about certain Investors to the Australian Taxation Office (ATO). In order for the Fund to comply with its obligations, we will also request that you provide certain information about yourself, including your US Taxpayer Identification Number (TIN). We will only use such information for this purpose from the date the Fund is required to do so.

### 7.5 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 is a 'Reporting Financial Institution' under CRS and intends to comply with its CRS obligations under any relevant Australian laws and regulations, including obtaining and disclosing information about certain Investors to the ATO or other foreign tax authorities as required. To facilitate these disclosures, Investors will be required to provide certain information such as that relating to their country of tax residence and their relevant taxpayer identification number (if applicable).

The CRS regime took effect on 1 July 2017 and information from this date is automatically shared between the taxation authorities of OECD members.

## 8. Additional Information

### 8.1 Summary of material documents

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

1. Constitution
2. Investment Management Agreement
3. Administration Agreement

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

#### 1. Constitution

The Constitution 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 or asset of the Fund. Subject to the Constitution, 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 Constitution contains provisions about convening and conducting meetings of Investors. Under the Constitution, the Trustee may create different Unit classes which may have different rights and obligations.

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

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

A copy of the Constitution is available free of charge by contacting the Trustee on: +61 3 8352 7120.

#### 2. Investment Management Agreement

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

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.

#### 3. 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.

### 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 Constitution, 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, which will be on arm's length terms. For example, the Administration Manager is a related party of the Trustee.

As at the date of this IM the Investment Manager does not have any intention to invest in companies that are related to it but reserves the right to do so where it considers such investments to be in the best interests of Investors and where the commercial terms of such an investment are on arm's length terms, as determined by usual market practices for similar transactions.

### 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:

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

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



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

### 8.5 **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 Constitution, 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.

### 8.6 **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 and have not withdrawn their consent prior to the date of this IM:

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

## 9. Glossary

ADI	An authorised deposit taking institution as defined in section 5 of the <i>Banking Act 1959</i> (Cth).
Administration Manager	Vasco Funds Management Pty Ltd ACN 610 512 331
AFSL	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.
ASIC	Australian Securities and Investments Commission.
ASX	The Australian Securities Exchange Limited.
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 in the Fund
Commencement Date	The date of commencement of the Fund, being the date on which Units are first issued.
Constitution	The deed establishing the Fund dated 9 January 2019 as amended from time to time.
Corporations Act	Corporations Act 2001 (Cth) for the time being in force together with the regulations of the Corporations Act.
Fees and Costs	The relevant fees and costs outlined in Section 5.
Fund	Auspacific Income Generator Fund #1, established pursuant to the Constitution.
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 (No. 001252446) of D H Flinders Pty Ltd ACN 141 601 596 AFSL 353001.
Investor	A holder of Units.
Management Fee	A fee of 0.75% per annum of the Fund's gross asset value, payable from the Fund to the Trustee for managing and operating the Fund.
Minimum Investment Amount	A minimum investment amount in respect of a Class
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").
RBA Cash Rate	The overnight money market interest rate targeted by the Reserve Bank of Australia.

## Auspacific Income Generator Fund #1

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Target Return	The Investment Manager is targeting a gross return to Investors equal to the RBA Cash Rate plus 3% per annum over the medium to long term (after fees and expenses but before withholding tax payable by foreign resident Investors). This is a target return only and is not a forecast or a guaranteed return.
Trustee	Vasco Investment Managers Limited ACN 138 715 009, holder of AFS licence number 344486.
Unit	A Unit in the Fund.
Unit Price	The price per Unit as calculated from time to time in accordance with the Constitution
Withdrawal Request	A withdrawal request by an Investor to withdraw from the Fund.

## 10. How to apply for Units

An application for Units can only be made by completing and lodging the Application Form that is included below (**Application**).

Instructions relevant to completion of the Application Form are set out in the form.

A completed original Application Form, including relevant identification documents, should be lodged by sending it to the Administration Manager at the following address:

**Auspacific Income Generator Fund #1**  
**Vasco Funds Management Pty Limited**  
**Level 5, 488 Bourke Street**  
**Melbourne, Victoria 3000**  
**Australia**

An Application constitutes an offer by the applicant to subscribe for Units on the terms and subject to the conditions set out in this IM.

If the Application Form for Units is not completed correctly or if the payment of the application monies is for the wrong amount, the Application 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.

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

Any interest earned on Application Monies will be retained by the Trustee and will not form part of the Fund's assets.

# Application Form

## Auspacific Income Generator Fund #1



Use this application form if you wish to invest in:

### Auspacific Income Generator Fund #1

This Information Memorandum (IM) dated 18 January 2019 for the Auspacific Income Generator Fund #1 (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](http://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](http://www.vascofm.com);
- ☐ if paying via direct debit, completed section 11 ensuring ALL bank account signatories have signed;
- ☐ if paying via cheque, ensure cheque is made payable to 'Vasco Investment Managers Limited ATF Auspacific Income Generator Fund #1' and attach it to this application form; and
- ☐ read the declaration and provided all relevant signatures.

## Auspacific Income Generator Fund #1



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

## 1. Investment details

Is this a new investment or an additional investment?

☐ New investment ▶ Please proceed to section 2.

[illegible]

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

## 2. Investor type

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

### 3. Investor name

### 3A. Individual investor/joint investors/sole trader

## Investor 1

[illegible][illegible]

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

Business name of sole trader (if applicable)

## Investor 2

[illegible][illegible]

Title (Mr/Mrs/Miss/Ms)						Date of birth	/	/				
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## 3B. Super fund/Trust/Australian company/foreign company/other

Name of entity

[illegible]

## 3C. Account designation (if applicable)

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

[illegible][illegible]

Title (Mr/Mrs/Miss/Ms)

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

#### 4. Contact details

This is the address where all correspondence will be sent.

[illegible]

## 5. Tax information

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

[illegible]

### 5c. Non-residents

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

[illegible]

## 6. Investment allocation and payment options

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

I/we are making my/our investment via:

☐ Direct Credit/EFT → see below.

☐ **Bank Cheque** → make cheque payable to 'Vasco Investment Managers Limited ATF Auspacific Income Generator Fund #1'.

Fund name	Initial investment
Auspacific Income Generator Fund #1	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 0 <input type="text"/>

**Cheque Instructions:** Bank Cheques or drafts must be made payable to Vasco Investment Managers Limited ATF Auspacific Income Generator Fund #1. Only cheques or drafts in Australian currency and drawn on an Australian bank will be accepted. Your cheque(s) should be crossed NOT NEGOTIABLE. Mail or deliver your completed Application Form with your cheque(s) to:

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

### Direct Credit / EFT Instructions

Alternatively you can direct credit your application funds to:

Vasco Investment Managers Limited ATF Auspacific Income Generator  
Fund #1  
Macquarie Bank  
BSB 182 512  
Account number 966801664  
Swift Code MACOAU2SXXX

Please note the applicants name when transferring the funds.

Please ensure all funds transferred are net of all bank charges.

## 7. Annual report

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

## 8. Income distributions

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

☐ Please reinvest my/our income distributions.

☐ Please credit my/our nominated bank account provided in section 10 with my/our income distributions.

## 9. Qualifying Investor Qualification

In order to participate in the Offer you must be an Qualifying Investor. Please complete this section so that the Trustee can determine whether you are eligible to participate in the Offer. Investors from Singapore must also provide a Singapore Accredited Investor Certificate available from the Trustee.

### Part 1 – Investor category

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

#### (a) Sophisticated Investor

Applicant 1      Applicant 2  
(if joint application)

- |                          |                          |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | I am applying for \$500,000 or more worth of Units.  |
| <input type="checkbox"/> | <input type="checkbox"/> | I have net assets of at least \$2.5 million (please arrange for a Qualified Accountant to complete Part 2 of Section 9 of this Application Form).  |
| <input type="checkbox"/> | <input type="checkbox"/> | I have earned at least \$250,000 per annum gross income for each of the last two financial years (please arrange for a Qualified Accountant to complete Part 2 of Section 9 of this Application Form). |

#### (b) Professional Investor

Applicant 1      Applicant 2  
(if joint application)

- |                          |                          |   |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | I have or control gross assets of at least \$10 million (please arrange for a Qualified Accountant to complete Part 2 of Section 9 of this Application Form). |
| <input type="checkbox"/> | <input type="checkbox"/> | I hold Australian Financial Services Licence No. (please provide AFSL no.)  |
|                          |                          | <input type="text"/>  |

### Part 2 – To be completed by a Qualified Accountant

Insert full name and address of Qualified Accountant

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



## 9. Qualifying Investor Qualification (continued)

### Declaration by Qualified Accountant

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

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

#### Option 1

Applicant 1      Applicant 2  
(if joint  
application)

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

- ☐      ☐      net assets of at least \$2.5 million; or
- ☐      ☐      a gross income for each of the last two financial years of at least \$250,000 a year.

#### Option 2

Applicant 1      Applicant 2  
(if joint  
application)

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

- ☐      ☐      net assets of at least \$2.5 million; or
- ☐      ☐      a gross income for each of the last two financial years of at least \$250,000 a year.

#### Option 3

Applicant 1      Applicant 2  
(if joint  
application)

- ☐      ☐      For the purposes of section 761G(7)(d) of the Corporations Act, the Applicant controls gross assets of at least \$10 million (including any amount held by an associate or under trust that the Applicant manages).

Signature of Qualified  
Accountant

Date   /   /

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

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

Financial institution

Branch

Account name

Branch number (BSB)  -

Account number

## 11. 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 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 acknowledge that if Vasco reasonably believes an email or facsimile communication it receives is from me/us Vasco is entitled to rely on that email or facsimile communication and will not be liable for any loss it may suffer if it is later found the email or facsimile communication was fraudulent.
- unless alternative authority for signature is notified to and accepted by Vasco, the person/persons that signs/sign this form is/are able to operate the account on behalf of the company and bind the company for future transactions, including in respect of additional deposits and withdrawals, including withdrawals by telephone and fax;
- I/we acknowledge that I/we have read and understood the information under the heading 'Privacy policy' in the 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 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 a Politically Exposed Person (PEP) as defined by the AML/CTF legislation;
- I/we are 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 by or for Vasco;
- if the Applicant is a SMSF, it is compliant and investing in this Fund complies with the Superannuation Industry Supervision Act 1993 (Cth); and
- I/we hold the appropriate authorisations to become an Investor in the Fund and that offer cannot be revoked.

Refer to list of signatories on page 8 of this application form

## 11. Declaration and applicant(s) signature(s) (continued)

### Investor 1

Signature	<input type="text"/>	Date	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Surname	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Given name(s)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Capacity	<input type="checkbox"/> Sole Director	<input type="checkbox"/> Director	(company investments only)				

### Investor 2 (joint investors)

Signature	<input type="text"/>	Date	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Surname	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Given name(s)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Capacity	<input type="checkbox"/> Director	<input type="checkbox"/> Company Secretary	(company investments only)				

### Signing Authority

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

- ☐ Only one required to sign.
- ☐ All signatories must sign.

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

## 12. Adviser Fees

### Adviser details

Skip this section if you don't use an adviser.

Given name(s)	<input type="text"/>
Surname	<input type="text"/>
Dealer group name	<input type="text"/>
AFSL	<input type="text"/>
Adviser's phone number	<input type="text"/>
Adviser's email address	<input type="text"/>
Advice Implementation Fee	<input type="text"/> %

Signature of adviser

DEALER STAMP

Advisers signing this document do so on the understanding that neither Auspacific Capital Management Pty Ltd nor Vasco Investment Managers Ltd has an agency relationship with any advisor and that no advisor operates under the authority of these entities.

I authorise the above Adviser to receive payment by way of a one-off advice implementation fee.  
I understand that this fee will be deducted from my Initial Investment.

Signature of Investor 1

Date

Signature of Investor 2

Date

### 13. Adviser use only

☐ I consent to my advisor, whose details are provided below, receiving information about my investment in the Fund.

Office name

Surname

Given name(s)

Title (Mr/Mrs/Miss/Ms)

Phone (business hours)

Email

Adviser group name

Adviser group AFSL

#### 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
<b>Individual and/or joint investors</b>	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
<b>Sole trader</b>	i. Full name of sole trader; and ii. Full business name (if any).	Sole trader's	Sole trader's
<b>Australian or foreign company</b>	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
<b>Trust/Superannuation fund</b> If you are investing on behalf of a superannuation fund, we will assume the superannuation fund to be a complying fund under the Superannuation Industry (Supervision) Act.	i. Full trust/superannuation fund name (e.g. Michael Smith Pty Ltd ATF Michael Smith Pty Ltd Super Fund); and ii. Full name of the trustee(s) in respect of the trust/super fund. Where the trustee is an individual, all information in the 'Individual and Sole Traders' section must be completed. If any of the trustees are an Australian company, all information in the 'Australian company' section must also be completed; and iii. Names of beneficiaries (if identified in Trust Deed). iv. Full name of the settlor** v. Full name of each beneficial owner	Individual trustee(s) 'as trustee for' If any of the trustees are an Australian company, the signatures set out in the 'Australian company' section are also required.	Superannuation fund's or trust's
<b>Account designation</b>	Name of the responsible adult, as the investor.	Adult(s) investing on behalf of the person/minor	Adult(s)
<b>If the investment is being made under Power of Attorney (POA)</b> 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 <b>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.</b>	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 Units 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 Units.

### **SINGAPORE**

The Fund is a restricted scheme as referred to in section 305 of the Securities and Futures Act 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 section 305 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.

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.

## Corporate Directory

### INVESTMENT MANAGER

**Auspacific Capital Management Pty Ltd**

Level 8, 520 Collins St

Melbourne VIC 3000

**Telephone:** +61 396 200 887

**Email:** [williamchen@aus-pac.com](mailto:williamchen@aus-pac.com)

### TRUSTEE

**Vasco Investment Managers Limited**

Level 5, 488 Bourke Street

Melbourne Victoria 3000

Australia

**Telephone:** +613 8352 7120

**Email:** [info@vascofm.com](mailto:info@vascofm.com)

### ADMINISTRATION MANAGER

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Melbourne Victoria 3000

Australia

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