

Nightingale Albion Investment Option

Information Memorandum



Trustee:
Investment Manager:
Administration Manager:

Vasco Custodians Pty Ltd ACN 644 232 539
Nightingale Investment Management Pty Ltd ACN 646 885 118
Vasco Fund Services Pty Ltd ACN 610 512 331

Image by Meche Studio

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IMPORTANT INFORMATION

This Information Memorandum (**IM**) is dated 1 March 2021 and relates to the offer of interests in The Nightingale Fund (**Fund**).

This IM is issued by Vasco Trustees Limited ACN 138 715 009 AFSL 344486 (Vasco Trustees) on behalf of Vasco Custodians Pty Ltd ACN 644 232 539 (**Trustee**) in its capacity as trustee of the Trust.

Investment Options

The Fund will offer units in different unit classes, called "Investment Options", which differ in their investment strategies, targeted return and risk profiles. The assets and liabilities and returns of each Investment Option will be quarantined from other Investment Options.

This IM relates only to the Nightingale Albion Investment Option of the Fund.

Each Investment Option forms a separate Class of the Fund and is treated as a separate trust under the terms Fund's Trust Deed. This IM does not relate to other Classes of the Fund. A separate information memorandum will be issued in respect of each Class of the Fund.

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

Glossary

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

Questions

Any questions regarding this IM should be directed to:

- the Investment Manager on 0403 704 244 or at duncan@nightingalehousing.org or
- the Trustee on +61 3 8352 7120 or at info@vascofm.com.

Licencing and appointments

The Trustee is a corporate authorised representative (No. 001283924) of D H Flinders Pty Ltd ACN 141 601 596 AFSL 353001 (**D H Flinders**). The issue of interests in the Fund is arranged by Vasco Trustees under an intermediary agreement with the Trustee under section 912A(2)(b) of the Corporations Act. The Trustee will only issue interests in the Fund in response to an acceptance of such offer.

The Trustee has appointed Nightingale Investment Management Pty Ltd ACN 646 885 118 (**Nightingale** or **Investment Manager**) as the Investment Manager of the Fund.

The Investment Manager is a corporate authorised representative (No. 001285673) of D H Flinders. The Investment Manager has been authorised by D H Flinders to only provide the financial services required in its role as Investment Manager of the Fund and not in relation to any other Trust/Fund or financial services.

The Trustee has appointed Vasco Fund Services Pty Limited ACN 610 512 331 (**Administration Manager**) as the administration manager of the Fund. The Administration Manager is a related party of the Trustee.

Images

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

ASIC

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

Restrictions on distribution

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

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

Investor to undertake own due diligence

Information contained in this IM has been provided to prospective Investors to assist them to assess 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
- 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 8 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 deciding 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 consider 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 4.6 of this IM for details of the withdrawal rights applicable this Investment Option.

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 interests 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 interests 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 8, 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 Trust Deed for the Trust and associated documents and nothing in this IM limits or qualifies the powers and discretions conferred upon the Trustee and the Investment Manager under those documents.

This IM should be read in conjunction with the Trust Deed and associated documents for the Fund. In the event of any inconsistency between the Trust Deed and associated documents and this IM, then the Trust Deed and associated documents will prevail to the extent of the inconsistency.

Independent financial advice

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

Letter from the Investment Manager

Dear Investor

On behalf of the investment management team at Nightingale Investment Management Pty Ltd (**Nightingale**) it is our pleasure to present to you an opportunity to invest in the Nightingale Albion Investment Option of The Nightingale Fund (**Fund**).

The Nightingale Albion Investment Option of the Fund will lend the monies raised from Investors to Nightingale Albion Landholding Pty Ltd, who owns the land on which 'Nightingale Albion' will be developed. The Borrower is part of the Nightingale Housing group of companies developing Nightingale Albion.

Nightingale Albion is the latest project from Nightingale Housing and constitutes 108 apartments over 4 communities along with 2,286m² of commercial premises. 20% of the residential apartments will be pre-allocated to a Community Housing Provider and we have entered into a Heads of Agreement with Ethical Property Australia to take out all of the commercial premises.

Along with meeting all of the standards of building design, carbon neutrality and focus on intentional community customary to Nightingale projects, Nightingale Albion is also the flagship for 'Nightingale Nest', a ground-breaking financial model, subject to regulatory approval, to afford access to housing for first home owners with just 2.5% deposits.

Nightingale's stated goal is to revolutionise how we live together and Nightingale Albion represents an important step in that ongoing revolution.

Nightingale Housing is a profit-for-purpose organisation currently moving towards not-for-profit status. We develop socially, financially and environmentally sustainable communities. We believe that homes should be built for people, not profit. Each of our developments are delivered at-cost, meaning any savings we work hard to achieve go into reducing the cost of ownership for the communities we serve.

An investment in the Fund represents an exceptional impact investment opportunity, that supports our mission, while achieving a risk adjusted return on investment.

The Fund has an independent trustee, Vasco Custodians Pty Ltd (**Vasco**). Vasco is part of an established investment services group that provides fund establishment, trustee and administration services to Australian and international investment managers. The Vasco team have significant experience in the Asia Pacific region in the management of 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 and the \$1.5 billion AIMS Industrial REIT listed on the Singapore Stock Exchange.

We ask that you to read through this IM (especially Section 8 entitled "Risks") to allow you to make an informed decision before investing in the Fund.

On behalf of the team at Nightingale we invite you to consider this outstanding investment opportunity.

Yours sincerely

Duncan MacGregor

Director

Nightingale Investment Management Pty Ltd

1. Key Features

The table below is only a summary of the key features of an investment in Nightingale Albion Investment Option of the Fund only. Each Investment Option forms a separate Class of the Fund and is treated as a separate trust under the terms Fund's Trust Deed. This IM does not relate to other Classes of the Fund. A separate information memorandum will be issued in respect of each Class of the Fund.

The table 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.

| Key features | Description | Further information |
|---------------------------|--|---------------------|
| Trustee | Vasco Custodians Pty Ltd (ACN 644 232 539) | 5.2 |
| Investment Manager | Nightingale Investment Management Pty Ltd (ACN 646 885 118) | 5.1 |
| Administration Manager | Vasco Fund Services Pty Limited (ACN 610 512 331) | 5.3 |
| Open Date | 15 March 2021 | - |
| Close Date | 31 March 2021. The Trustee reserves the right to close the Offer earlier if the Total Offer Amount, or such other satisfactory amount as decided by the Trustee, has been raised. Additionally, the Trustee reserves the right to extend the Close Date. | - |
| Initial Investment Amount | \$5,600,000, payable by the Close Date. | - |
| Target Investment Amount | The Investment Manager is seeking to raise approximately \$14,200,000 subject to Nightingale Housing's budget adjustments for the Project. | - |
| Additional Investments | <p>The Trustee may, at the request of the Borrower, invite Investors from time to time to make additional investments in the Nightingale Albion Investment Option subject to the Investor completing an Additional Investment Form.</p> <p>The Trustee expects to invite investors for the remainder of the Target Investment Amount by 31 December 2021.</p> <p>Investors will be requested to subscribe for additional Units by completing an Additional Investment Form and transferring their application monies to the Trustee within a specified number of days of the additional investment request being made by the Trustee (Additional Investment Payment Date).</p> <p>If the Trustee receives more additional investment applications than the requested amount, an Investor's additional investment amount will be scaled-back pro rata based on their existing number of Units in the Investment Option.</p> <p>Investors will be under no obligation to fund any additional investment request made by the Trustee.</p> <p>Any additional investments will be processed within 10 Business Days of the Additional Investment Payment Date.</p> <p>Additional Investment Forms are available on the Trustees website at www.vascofm.com or by contacting the Trustee.</p> | - |

| Key features | Description | Further information | | | | | | | | | | | | |
|----------------------|--|---------------------|--|-------------------|---------------------------|----------|-----------------------|-----------------|--|-------------------|---|----------|--|---|
| Investment Structure | <p>The Fund is an 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 share in the returns generated by the Fund.</p> <p>The Fund will provide Investors the opportunity to select from different Investment Options, each offering exposure to one or more property developments projects undertaken by Nightingale Housing.</p> <p>Each Investment Option will provide Investors with exposure to a different Project as well as offering Investors with a different target return, risk profile (relative to each Project) and withdrawal rights. An Information Memorandum will be issued in respect of each Investment Option which sets out its investment terms.</p> <p>The assets, liabilities and returns of each Investment Option will be separate from each other Investment Option.</p> <p>This IM sets out the terms of an investment in the Nightingale Albion Investment Option of the Fund.</p> | 4.1 | | | | | | | | | | | | |
| Qualifying Investors | Investment in the Fund is generally restricted to Investors who qualify as wholesale clients within the meaning of the Corporations Act. | 4.3 | | | | | | | | | | | | |
| Investment Strategy | <p>Monies raised under this Offer will be lent to Nightingale Albion Landholding Pty Ltd (Borrower), who owns the land on which the Nightingale Albion property development project (Project) will be developed.</p> <p>Section 3 below contains more information about the Project.</p> <p>The Loan to the Borrower will be in two sequential phases:</p> <p>1. Development Phase</p> <table><tr><td>Purpose of Loan</td><td>To fund the development and construction of the Project.</td></tr><tr><td>Expected Maturity</td><td>20 months from Close Date</td></tr><tr><td>Security</td><td>General Security Deed</td></tr></table> <p>2. Nest Phase*</p> <table><tr><td>Purpose of Loan</td><td>To cover any deferred payments agreed to between Nightingale and the purchasers.</td></tr><tr><td>Expected Maturity</td><td>A minimum of 5 years from the maturity of the Development Phase portion of the loan</td></tr><tr><td>Security</td><td>General Security Deed (which will extend to the rights the Borrower has under any mortgages provided by purchasers to the Borrower).</td></tr></table> <p>*The Nest Phase is subject to the Borrower receiving regulatory approval on their intended deferred payment strategy.</p> <p>A senior lender will also provide funding to the Project during the Development Phase. This will mean that the senior lender will have priority in</p> | Purpose of Loan | To fund the development and construction of the Project. | Expected Maturity | 20 months from Close Date | Security | General Security Deed | Purpose of Loan | To cover any deferred payments agreed to between Nightingale and the purchasers. | Expected Maturity | A minimum of 5 years from the maturity of the Development Phase portion of the loan | Security | General Security Deed (which will extend to the rights the Borrower has under any mortgages provided by purchasers to the Borrower). | 2 |
| Purpose of Loan | To fund the development and construction of the Project. | | | | | | | | | | | | | |
| Expected Maturity | 20 months from Close Date | | | | | | | | | | | | | |
| Security | General Security Deed | | | | | | | | | | | | | |
| Purpose of Loan | To cover any deferred payments agreed to between Nightingale and the purchasers. | | | | | | | | | | | | | |
| Expected Maturity | A minimum of 5 years from the maturity of the Development Phase portion of the loan | | | | | | | | | | | | | |
| Security | General Security Deed (which will extend to the rights the Borrower has under any mortgages provided by purchasers to the Borrower). | | | | | | | | | | | | | |

The Nightingale Fund

Nightingale Housing Investment Option

| Key features | Description | Further information | | | | |
|-------------------|---|---------------------|---------------------------------|------------|---|--|
| | <p>respect of the funds generated by the Project in priority of any repayment of the loan by the Borrower to the Fund.</p> <p>Section 2.2 below contains more information about the terms of the Loan.</p> | | | | | |
| Target Returns | <p>The Target Returns (after Fund fees and expenses) expected to be generated from each phase of the Loan are as follows:</p> <table><tr><td>Development Phase</td><td>9.5% per annum paid on maturity</td></tr><tr><td>Nest Phase</td><td>4% per annum paid quarterly and an uplift on repayment of the Nest Phase loan, bringing the total Target Return to 7.5% per annum</td></tr></table> <p>The Target Returns are not a forecast or a guaranteed return.</p> | Development Phase | 9.5% per annum paid on maturity | Nest Phase | 4% per annum paid quarterly and an uplift on repayment of the Nest Phase loan, bringing the total Target Return to 7.5% per annum | |
| Development Phase | 9.5% per annum paid on maturity | | | | | |
| Nest Phase | 4% per annum paid quarterly and an uplift on repayment of the Nest Phase loan, bringing the total Target Return to 7.5% per annum | | | | | |
| Redemptions | <p>Investors have no right to withdraw from this Investment Option.</p> <p>Investors will be compulsorily redeemed by the Trustee at the end of each of the Development Phase and Nest Phase, within 1 month of the receipt of any repayment to the Fund by the Borrower.</p> <p>There is no guarantee that the Borrower will repay any of the monies at the end of the Development Phase and may choose to roll over the entire loan, or only a small part thereof, into the Nest Phase.</p> <p>Investors should expect to remain invested in the Fund for the entirety of the Expected Investment Term.</p> | 4.6 | | | | |
| Distributions | <p>Distributions of income (net of fees and expenses) received on completion of the Development Phase will occur within 30 days of receipt of the interest payment from the Borrower.</p> <p>Distributions of income (net of fees and expenses) received during the Nest Phase will occur within 30 days of the end of each calendar quarters with the final distribution to be paid within 30 days of receipt of the final interest payment from the Borrower.</p> | 4.7 | | | | |
| Key Benefits | <p>The Investment Manager considers the key benefits of an investment in the Fund to be:</p> <ul style="list-style-type: none">▪ An exceptional impact investment opportunity, that supports the mission of Nightingale Housing in delivering carbon neutral communities at cost.▪ An attractive, risk adjusted Target Return.▪ Exposure to development projects managed by Nightingale Housing, with an exceptional track record of delivery.▪ Appointment of an independent trustee and professional administration manager to the Fund. | - | | | | |
| Risks | <p>It is important that you read and consider the risks associated with the investment in the Fund before deciding whether to invest, as well as considering with your financial advisor whether this investment is suitable for your financial objectives, situation or needs – none of which have been considered by the Trustee or Investment Manager.</p> | 8 | | | | |

The Nightingale Fund

Nightingale Housing Investment Option

| Key features | Description | Further information |
|---|---|---------------------|
| | Neither the Trustee or Investment Manager guarantee income distributions or capital returns. There is a risk Investors could lose all or some of your invested capital. | |
| Fees and costs payable directly by the Investors | | |
| Overseas transfer fee | \$50 (plus any currency exchange charges) per transfer attempt | 6 |
| Entry and Exit Fees | None | 6 |
| Buy and Sell Spread | None | 6 |
| Fees and costs payable by the Fund | | |
| Trustee Fees | <p>The Trustee is entitled to the following ongoing fees:</p> <ul style="list-style-type: none"> An Annual Trustee Fee of up to \$35,000 per annum payable monthly A Regulator Levy Fee of \$1000 plus \$60 per \$1m of Gross Asset Value payable annually A Document Review and Execution Fee of \$150 for each set of loan documents <p>The Trustee is also entitled to an Establishment Fee and Termination Fee as further detailed in Section 6.</p> <p>The Trustee Fees will be apportioned pro-rata across each Investment Option based on their gross asset value.</p> | 6 |
| Investment Managers Fees | The Investment Manager will not be charging any ongoing management or performance fees. The Investment Manager will only earn a Residual Return Fee calculated as the difference between the Target Return offered to investors and the interest rate on the Loan (less fund fees and costs). | 6.3 |
| Administration Fees | <p>The Administration Manager is entitled to:</p> <ul style="list-style-type: none"> an Annual Administration Fee of \$10,000 per annum where there are less than 25 investors in the Fund; and an Annual Investment Option Administration Fee of \$5000 per annum to administer each Investment Option of the Fund after the first. <p>The above fees are subject to an annual increase of 5 % on 1 January each year.</p> | 6 |
| Expenses | The Trustee is also entitled to recover all reasonable expenses properly incurred in the performance of its duties. Expenses may be charged specifically to an Investment Option or charged pro rata across all Investment Options at the discretion of the Trustee. | 6 |

2. Investment Strategy

2.1 Overview

The Nightingale Albion Investment Option provides Investors with exposure to the delivery of a carbon neutral community undertaken by Nightingale Housing, located 215-219 Albion Street, Brunswick, VIC 3056 (**Project**).

The Fund will lend money to Nightingale Albion Landholding Pty Ltd (**Borrower**), who owns the land on which the Project will be developed.

During the Development Phase, the Borrower will provide financing to the Project's developer Nightingale Albion Development Pty Ltd (**Developer**) and also provide a first registered mortgage over the Project land to the senior financier funding the Project as security for the senior financier's loan to the Developer.

The Borrower and Developer are related parties of the Investment Manager and are part of the Nightingale Housing group of companies developing Nightingale Albion.

Details about the Project are outlined in Section 3.

Further details about Investment Manager and Nightingale Housing are outlined in Section 5.1.

2.2 Investment (Loan) Terms

The Fund will enter into a loan agreement with the Borrower (**Loan Agreement**).

Structure of Loan

The Loan Agreement will be structured for the Fund to lend monies to the Borrower in two sequential phases, each with their own purpose, expected maturity and security profile as follows:

1. Development Phase

| | |
|-------------------|---|
| Purpose | To fund the development and construction of the Project. |
| Expected Maturity | 18 Months |
| Security | General Security Deed (by the Borrower over all its assets but ranking behind the senior lender to the Borrower). |

2. Nest Phase*

| | |
|-------------------|--|
| Purpose of Loan | To cover any deferred payments agreed to between the Borrower and the purchasers. |
| Expected Maturity | A minimum of 5 years from the maturity of the Development Phase portion of the loan. |
| Security | General Security Deed (by the Borrower which will extend to the rights the Borrower has under any mortgages provided by purchasers to the Borrower). |

*The Nest Phase is subject to the Borrower receiving regulatory approval on their intended deferred payment strategy. Should this not be achieved, the entirety of the loan will be repaid at the end of the Development Phase. Where the Nest Phase proceeds, the Fund's existing security under the GSD will extend to include any rights under the mortgages granted by the purchasers of Project apartments to the Borrower.

Purpose of Loan

Even though the Loan Agreement will require that the Loan be used by the Borrower for the purpose specified above in respect of each phase, the Trustee cannot guarantee that the Borrower will comply in whole or in part with this purpose.

The Investment Manager is responsible for the day-to-day management of the Loan.

The Trustee will rely solely on the periodic confirmation of the Borrower and Investment Manager that the monies are being used appropriately and in accordance with the purpose specified above, however, the Trustee will not undertake any independent review beyond this to confirm that this is in fact the case.

Amount advanced and drawdowns

The total amount advanced to the Borrower under the Loan will depend upon the amount of capital committed by Investors in the Nightingale Albion Investment Option.

During the Development Phase of the Loan, the Borrower will be able to drawdown progressively on the facility.

Upon receiving a drawdown request from the Borrower, the Fund will invite Investors from time to time to make additional investments in the Nightingale Albion Investment Option subject to the Investor completing an Additional Investment Form.

The Borrower's further drawdown under the facility will be predicated on the Fund receiving additional investments.

The Borrower will be able to repay the loan principal at the end of the Development Phase or roll-over a proportion of the principal not repaid into the Nest Phase of the Loan.

There is no guarantee that the Borrower will repay any of the monies at the end of the Development Phase and may choose to roll over the entire loan into the Nest Phase.

Priority to other senior financiers

A senior lender will also provide funding to the Project during the Development Phase. This will mean that the senior lender will have priority in respect of the funds generated by the Project in priority of any repayment of the loan by the Borrower to the Fund.

Documentation

The Loan and other security documents are reviewed by the Fund's legal advisor who is chosen from an experienced panel of legal firms experienced in finance, verification and validation requirements.

2.3 Arrears and default management

Investors' capital and returns may be affected if the Borrower defaults on the Loan made to it by the Fund.

Investors should note that the loan to the Borrower will be limited in recourse to the assets of the Borrower only and the Fund will have no recourse to any other assets of the Nightingale Housing group or (except in extreme situation such as, for example, fraud) their directors.

As the Loan will be made to a related party of the Investment Manager, the Trustee will administer arrears and default management procedures in the event of late payment or default in accordance with the relevant loan documents prepared by the Fund's legal advisor.

Where a Borrower fails to make a payment by the repayment dates under a Loan Agreement, the Trustee will look to enforce the Loan according to the enforcement procedures specified in that Loan Agreement.

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

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

Neither the Trustee or Investment Manager guarantee income distributions or capital returns. There is a risk Investors could lose all or some of your invested capital.

2.4 No Borrowings by the Fund

The Fund is not expected to have any borrowings.

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.

3. About the Project

The Investment Manager has provided the following details about the Project, which have not been independently verified by the Trustee. Investors are advised to undertake their own due diligence.

3.1 Project Summary

The Nightingale Albion Investment Option provides Investors with exposure to the delivery of 4 carbon neutral communities delivered at cost undertaken by Nightingale Housing, located 215-219 Albion Street, Brunswick, VIC 3056 (**Project**).

Nightingale Housing has assembled an exceptional group of consultants on the Project.

3.2 Proposed Development Timing

The expected milestone dates for the Project are:

| Milestone | Expected Deliver |
|------------------------------|------------------|
| Planning approval | March 2021 |
| Commencement of construction | November 2021 |
| Practical completion | March 2023 |

3.3 Project Cost, Revenue and Profit

The anticipated financial model for the Project is as follows:

| | |
|-----------------------------------|----------------------------|
| Project Revenue | \$64,272,262 ex GST |
| Project Cost | |
| - Land and Acquisition | (\$8,085,385) |
| - Professional Fees | (\$3,742,122) |
| - Statutory Fees & External Works | (\$2,598,079) |
| - Construction | (\$43,800,513) |
| - Contingency | (\$4,380,051) |
| - Land Holding | (\$295,440) |
| - Finance | (\$6,279,892) |
| - Less GST Credits Reclaimed | \$5,047,102 |
| Total Cost | (\$64,272,262) |
| Total Profit | \$0 |

4. Offer Details

4.1 Investment Structure

The Fund is an unlisted unregistered managed investment scheme structured as a unit trust and established by a Trust Deed dated 16 February 2021 which regulates the relationship between the Trustee and Investors.

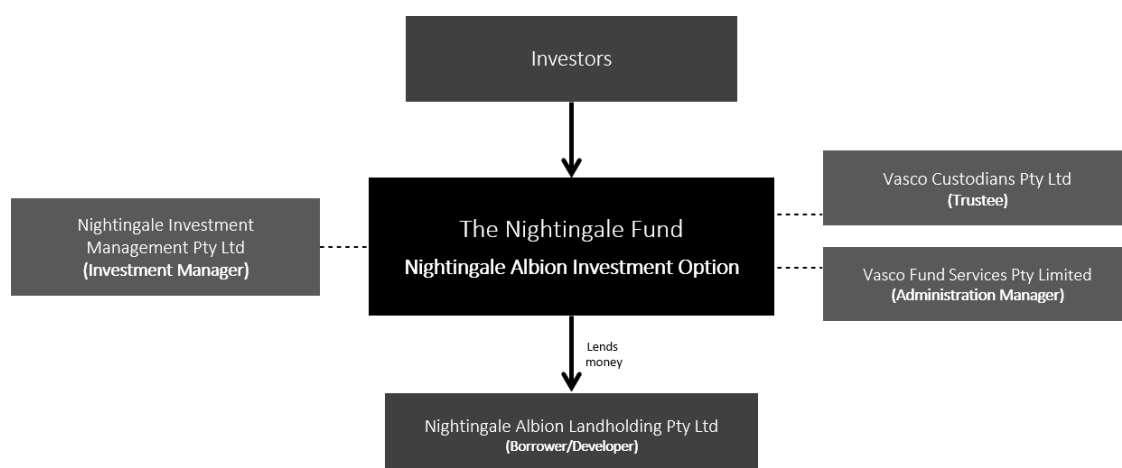
The monies contributed by Investors as application money pursuant to this Offer will be used to acquire Units in the Nightingale Albion Investment Option of the Fund.

Monies raised under this Offer will be lent by the Fund to Nightingale Albion Landholding Pty Ltd (**Borrower**) who owns the land on which the development of 215-219 Albion Street, Brunswick, VIC 3056 (**Project**) is taking place.

The Trustee has appointed Nightingale Investment Management Pty Ltd as the Fund's Investment Manager, having responsibility for managing the Fund's investments.

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

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



Details about the role each of the parties that provide its services to the Fund is provided below in Section 5.

As at the date of this Information Memorandum, 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.

4.2 Investment Options

The Fund will provide Investors the opportunity to select from different Investment Options, each offering exposure to one or more property developments projects undertaken by Nightingale Housing.

Each Investment Option will provide Investors with exposure to a different Project as well as offering Investors with a different target return, risk profile (relative to each Project) and withdrawal rights. An Information Memorandum will be issued in respect of each Investment Option which sets out its investment terms. The assets, liabilities and returns of each Investment Option will be separate from each other Investment Option.

This IM relates only to the Nightingale Albion Investment Option of the Fund. This IM does not relate to other Classes of the Fund. A separate information memorandum will be issued in respect of each Class of the Fund.

4.3 Who can invest?

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 wholesale clients, 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.

4.4 Issue of Units

The Trustee is expecting to issue Units within 10 Business Days of the Close Date and otherwise within 10 Business Days of the receipt of any Additional Investments.

Further detail about applying for Units in the Fund is outlined in Section 11.

4.5 Unit Price

The Unit Price is based on the underlying value of the Fund's assets and is calculated in accordance with the terms of the Trust Deed. Unless there is an impairment on the Loan made by the Fund, the Unit Price is expected to remain at \$1.00 per Unit.

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 price that will apply to your application may be different from that which will apply and will be the one calculated after you submit your application.

4.6 Redemptions

Investors have no right to withdraw from this Investment Option.

Investors will be compulsorily redeemed by the Trustee at the end of each of the Development Phase and Nest Phase, within 1 month of the receipt of any repayment to the Fund by the Borrower.

There is no guarantee that the Borrower will repay any of the monies at the end of the Development Phase and may choose to roll over the entire loan, or a significant portion thereof, into the Nest Phase.

Investors should expect to remain invested in the Fund for the entirety of the Expected Investment Term.

Under the terms of the Trust Deed, in certain situations, the Trustee is able to, amongst other things, suspend all redemptions or compulsorily redeem Investors (in a manner other than as specified above) where it believes that doing so is in the best interests of Investors in the Fund as a whole.

4.7 Distributions

Distributions up to the Target Return are calculated on the amount of time Investors have their capital invested in the Fund.

Distributions of income (net of fees and expenses) received on completion of the Development Phase will occur within 30 days of receipt of the interest payment from the Borrower.

Distributions of income (net of fees and expenses) received during the Nest Phase will occur within 30 days of the end of each calendar quarters with the final distribution to be paid within 30 days of receipt of the final interest payment from the Borrower.

The Trustee reserves the right to make distributions more frequently in its absolute discretion.

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.

5. Management of the Fund

5.1 The Investment Manager

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

The Investment Manager is part of the Nightingale Housing group of companies.

Nightingale Housing exists to revolutionise the way we live together. Having completed 3 successful communities with another 17 currently underway, Nightingale has already established itself a leader in sustainability and the delivery of carbon neutral communities. Nightingale Housing aim to advance social welfare by supporting, promoting and advocating for housing which facilitates financial equitability, fosters environmental and social sustainability, and catalyses communities. Nightingale Housing deploys a scalable and alternative model of housing delivery which provides triple bottom line housing at cost.

Nightingale Housing is supported by a strong community of architects, consultants, financiers and owner-occupiers.

As described by the Investment Manager, their key management team includes:

- **Jeremy McLeod**
Director

Jeremy is the Managing Director and, along with his partner Tam, the co-founder of Nightingale Housing. It is his vision and passion that both created and continues to drive the mission of Nightingale Housing in a constant pursuit of innovation and a desire to improve the way we live together. Jeremy is also the founding Director of Breathe Architecture, heading a team of dedicated architects that have built a reputation for delivering high quality design and sustainable architecture for all scale of projects.

- **Duncan MacGregor**
Director

Coming from a background in traditional property development, Duncan has been Head of Finance for Nightingale Housing since 2017. In that time he has been responsible for procuring the debt and equity for the majority of Nightingale Housing projects. Not only is he responsible for the practical aspects of sourcing, negotiating and managing the project finance, a pivotal element of Duncan's work with Nightingale Housing has been in the development of financial efficiencies and alternative financial structures for the delivery of housing at cost. These alternative models seek to significantly improve both access to and the affordability of housing.

5.2 The Trustee

Vasco Custodians Pty Ltd (**Trustee**) is part of a professional investment management group (the **Vasco Group**) that provides fund establishment, trustee and administration services to Australian and international investment managers.

The team behind the Vasco Group has significant experience in the Asia Pacific region in the management of equity funds, fixed income funds, REITs, private equity real estate funds, real estate securities funds, and mortgage and real estate debt funds. Some of the funds Vasco's executives have developed include the \$1.5 billion Australian Unity Healthcare Property Trust ARSN 092 755 318 and the \$1.5 billion AIMS Industrial REIT listed on the Singapore Securities Exchange.

The Managing Director of the Vasco Group was also responsible for establishing the Australian Unity Funds Management Limited and MacarthurCook Limited real estate funds management businesses.

Clients of Vasco have included Golden Age 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.

5.3 Administration Manager

The Trustee has appointed Vasco Fund Services Pty Limited as the administration manager of the Fund (**Administration Manager**). The Administration Manager will be responsible for the provision of administration services to the Fund, including processing applications, fund accounting and unit registry maintenance.

The Administration Manager VFS is an experienced fund administration business providing its services to over 75 investment funds across Australia.

6. Fees and Costs

6.1 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 |
|---|--|---|
| Fees and costs paid directly by each Investors | | |
| Entry and Exit fee | None | NA |
| Buy and Sell Spread | None | NA |
| Overseas transfer fee | \$50 (plus any currency exchange charges) | Paid to the Fund prior to processing each transfer to an Investors overseas bank account |
| Fees and costs paid by the Fund | | |
| Investment Manager fees | The Investment Manager will not be charging any ongoing management or performance fees. The Investment Manager will only earn a Residual Return Fee calculated as the difference between the Target Return offered to investors and the interest rate on the Loan (less fund fees and costs). See Section 6.3 for more information. | Paid to the Investment Manager on maturity of the Development Phase and annually thereafter |
| Trustee fees <i>The Trustee Fees will be apportioned pro-rata across each Investment Option based on their gross asset value.</i> | An Establishment Fee of \$19,500. | Paid to the Trustee on commencement of the Fund |
| | An Annual Trustee Fee of: <ul style="list-style-type: none"> \$9,500 pa where the gross asset value of the Fund is less than \$10m \$15,000 pa where the gross asset value of the Fund is between \$10m and \$25m \$35,000 pa where the gross asset value of the Fund is greater than \$25m | Calculated from execution of the Trust Deed and paid to the Trustee monthly in arrears |
| | A Document Review and Execution Fee of \$150 for each set of loan documents | Paid to the Trustee as and when incurred |
| | A Regulator Levy Fee of \$1000 plus \$60 per \$1m of the Fund's gross asset value | Paid to the Trustee annually on 1 January of each year |
| | A Termination fee of \$2,500 plus GST where the Fund is terminated or the Trustee is replaced as trustee of the Fund | Paid to the Trustee immediately prior to their termination or replacement |

| Type | Amount | Paid to and when |
|--|--|--|
| Administration fee <i>The Administration Fees will be apportioned pro-rata across each Investment Option based on their gross asset value.</i> | <p>The Administration Manager is entitled to:</p> <ul style="list-style-type: none"> ▪ An Annual Administration Fee of \$10,000 per annum where there are less than 25 investors in the Fund ▪ An Annual Investment Option Administration Fee of \$5000 per annum to administer each Investment Option of the Fund after the first. <p>The above fees are subject to an annual increase of 5 % on 1 January each year.</p> | <p>Paid to the Administration Manager monthly in arrears from commencement of the Fund</p> |
| Expenses <i>Expenses may be charged specifically to an Investment Option or charged pro rata across all Investment Options at the discretion of the Trustee.</i> | <p>The Trustee is entitled to be paid or reimbursed for expenses associated with establishing and the operation of the Fund.</p> <p>See Section 6.4 for more information.</p> | <p>Paid to the Trustee or relevant party appointed by the Trustee as and when incurred</p> |

6.2 Payment of fund fees and costs

The Investment Manager has agreed to fund the payment of the Fund's fees and expenses, until such time as, in the opinion of the Trustee, they are able to be paid from the income generated by the Fund. Only where the Investment Manager fails to provide this funding to the Fund will the amounts in 6.1 be paid out of the Fund's remaining assets.

6.3 Investment Manager's fees

The loan to the Borrower will be at an interest rate slightly higher than the Target Return in order to manage the Fund's solvency and cover some fees and expenses.

The Investment Manager will not be charging any ongoing management or performance fees.

The Investment Manager will only earn a Residual Return Fee calculated as the difference between the Target Return offered to investors and the interest rate on the Loan (less Fund fees and costs).

6.4 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 Trust Deed 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.

6.5 Change to fees and other costs

The Trustee may change the above fees and expenses charged to Investors by giving at least 30 days written notice to Investors, subject to any fee limits in the Trust Deed. The Trustee may agree with any Investor any fee arrangements with that Investor which are different to the fees set out above.

6.6 Goods and services tax

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

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 Withholding tax

Please note that the Trustee may be required to withhold a prescribed amount of distributions from foreign investors and remit this to the Australian Taxation Office (**ATO**). The Trustee retains its discretion to withhold distributions at the maximum withholding rate until its receipt of a withholding statement from the ATO confirming the correct withholding amount.

7.2 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 47%).

7.3 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.

7.4 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).

8. 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).

8.1 Information not complete or accurate

The Trustee is not in a position to confirm the completeness, genuineness or accuracy of any information or data included in this IM. A significant amount of the material provided in this IM was supplied by third parties, including the Investment Manager.

The Trustee has not carried out an independent audit or independently verified any of the information contained in this IM. It is possible that due to factors such as the passage of time or the uncertainty in the future, the information contained in the IM may be incomplete or inaccurate.

8.2 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.

Even though the Loan Agreement will require that the Loan be used by the Borrower for the purpose specified above, the Trustee cannot guarantee that the Borrower will comply in whole or in part with this purpose. Investors should therefore be aware that Fund's only direct investment is the Loan made to the Borrower and the Trustee cannot control how the Borrower will ultimately use the Loan monies lent.

Also, there is no guarantee that the Borrower will have financial capacity to repay the loan to the Fund. Therefore, Investors may lose all of their capital investment in the Fund.

8.3 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.

8.4 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 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.

8.5 Return risk

The Fund seeks to deliver returns (primarily interest income) to Investors. The Fund is targeting returns which are higher than interest paid on basic deposit products. However, Investors should note that an investment in the Fund is not an investment in an ADI (such as a bank) regulated by APRA and an investment in the Fund carries more risk than an investment in a bank. As a general rule, higher potential returns have higher levels of uncertainty (high-risk) than investments with lower potential returns and low levels of uncertainty (low-risk).

The Target Return is not a forecast. The Fund may not be successful in meeting this objective and returns are not guaranteed. None of the Trustee, the Investment Manager nor any other person or entity guarantees any income or capital return from a special purpose vehicle or the Fund.

8.6 Related party transactions

Transactions involving related parties of the Trustee

The Trustee may from time-to-time enter into transactions with its related entities. For example, the Administration Manager is a related party of the Trustee.

The Trustee maintains and complies with a written policy on related party transactions to ensure that any actual or potential conflicts of interest are identified and appropriately dealt with. Any potential transactions with related parties go through an assessment process, and must be approved by the relevant board of directors.

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.

Transactions involving related parties of the Investment Manager

The Investment Manager and the Borrower are related parties. The transactions between these parties, including the Loan, may not be on arm's length terms.

It is not the responsibility of the Trustee to assess the merits of this investment recommended by the Investment Manager, but rather to ensure that this investment is within the terms outlined in this IM and permissible under the Trust Deed. Accordingly, the Trustee does not guarantee that the Fund's investments are otherwise made on arm's length terms.

By investing in the Fund, Investors acknowledge that the Investment Manager is responsible for making investment decisions for the Fund and that they have made their own independent investigations to satisfy themselves of the benefit of becoming an Investor in the Fund.

Enforcement action procedures, if required, in the event of default on the Loan to the Borrower will be managed by the Trustee and are set out above in Section 2.3.

8.7 Construction and development risk

Investments in the Fund will be lent to the Borrower who owns the land on which the Project will be developed – see Section 3 for more details about Project.

There are specific risks associated with these types of development projects, including:

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

8.8 Diversification Risk

The Fund's only investment will be the indirect financing of the Project, through a loan to the Borrower. As such, the Fund will not be diversified by sector and its diversification in respect of geography or the number of investments.

8.9 Default and Credit Risk

There is a risk that the Borrower may not be able to meet its financial obligations under the Loan Agreement. This may be for a wide range of reasons, including a change in the individual financial or other circumstances of the Borrower or a change in the economic climate generally.

In addition, the ability of the Fund to recover any of its investment may be impacted by and subject to the rights of a senior secured lender. This means that where a senior debt lender has priority in respect of funds generated by the project invested into by the Borrower, there may not be sufficient funds to repay the Fund's investment after repayment of the senior debt facility.

Further, there will be no rights to recover the debt by seeking to take control or sell any real property of the Investment Manager.

8.10 Downturn in Property Market

The Borrower operates in the property market and there are risks associated with property valuations decreasing due to a downturn in the property market. The downturn of the market may impact the amount of interest distributions and capital returns to Investors.

8.11 Early repayment

Early repayments by the Borrower of loan monies from the Fund will impact on the expected returns of the Fund.

8.12 Liquidity risk

The Fund is an illiquid investment.

This is the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss or make a profit.

There is currently no secondary market for Units in the Fund and it is unlikely that any active secondary market will develop. There are substantial restrictions upon the transferability of Units under the Fund documents and applicable securities laws.

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

8.13 Legal, regulatory and compliance risk

Changes in government legislation, regulation and policies generally could materially adversely affect the operating results of the Fund.

The operation of a funds management business in Australia is subject to significant regulation by Australian government authorities including without limitation 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.

8.14 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.

8.15 Tax risk

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

8.16 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.

8.17 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.

8.18 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.

8.19 COVID-19

Any number of unknown risks may arise as a result of the current COVID-19 pandemic which may adversely impact the Fund and returns to Investors.

8.20 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. The Trustee strongly recommends that Investors obtain independent financial advice before investing in the Fund.

9. Additional Information

9.1 Summary of material documents

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

1. Trust Deed
2. Investment Management Agreement
3. Administration Agreement

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

1. Trust Deed

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

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

- the right to share in any distributions.
- the right to attend and vote at meetings of Investors.
- the right to participate in the proceeds of winding up of the Fund.

The Trust Deed also provides among other important rights that Unitholders cannot replace Trustee as the trustee of the Fund for a period of up to 4 years from the date of the Trust Deed, unless the Trustee has been grossly negligent in the management of the Fund or committed a material breach of the Trustee's fiduciary duties.

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

The Trustee may appoint delegates, attorneys, or agents to perform any act, carry out any obligation or exercise any of its powers, as well as advisers to assist it with its duties and functions.

The Trustee has a right to be fully indemnified out of the assets of the Fund in respect of all expenses, liabilities, costs and other matters incurred by it in connection with the Fund and against all actions, proceedings, costs, claims and demands brought against it in its capacity as Trustee of the Fund except in the case of its own fraud, gross negligence or wilful default. The Trustee is indemnified and entitled to be reimbursed out of the assets of the Fund for all expenses properly incurred in connection with the Fund or in performing its obligations under the Trust Deed.

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

A copy of the Trust Deed is available from the Trustee free of charge.

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.

9.2 Related party transactions

Transactions involving related parties of the Trustee

The Trustee may from time-to-time enter into transactions with its related entities. For example, the Administration Manager is a related party of the Trustee.

The Trustee maintains and complies with a written policy on related party transactions to ensure that any actual or potential conflicts of interest are identified and appropriately dealt with. Any potential transactions with related parties go through an assessment process, and must be approved by the relevant board of directors.

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.

Transactions involving related parties of the Investment Manager

By making an investment in the Fund, Investors acknowledge that the Fund will lend money to the Borrower, who is a related party of the Investment Manager.

It is not the responsibility of the Trustee to assess the merits of this investment recommended by the Investment Manager, but rather to ensure that this investment is within the terms outlined in this IM and permissible under the Trust Deed. Accordingly, the Trustee does not guarantee that the Fund's investments are otherwise made on arm's length terms.

By investing in the Fund, Investors acknowledge that the Investment Manager is responsible for making investment decisions for the Fund and that they have made their own independent investigations to satisfy themselves of the benefit of becoming an Investor in the Fund.

Enforcement action procedures, if required, in the event of default on the Loan to the Borrower will be managed by the Trustee and are set out above in Section 2.3.

9.3 Privacy

The application process requires you to provide personal information to the Trustee. The Trustee collects this personal information so that it can process and administer any application for investment in the Fund you make. Additionally, the Trustee collects this information in order to administer, manage and generally service your investment in the Fund.

The Trustee will normally collect personal information directly from you. However, in certain circumstances, the Trustee may collect personal information about you from third parties, such as the Administrator Manager or third party service providers of the Trustee.

If you do not provide the personal information requested by the Trustee or provide incomplete or inaccurate information, the Trustee may not be able to accept or process your application for an investment in the Fund or may be limited in the services or assistance the Trustee can provide with respect to the administration of any investment you subsequently make in the Fund.

The Trustee may disclose your personal information to organisations such as the Administration Manager, any third party service provider it may engage to provide custody, administration, technology, auditing, mailing, printing or other services and our professional advisers (including legal and accounting firms, auditors, consultants and other advisers).

Such third parties may use and disclose your personal information for a purpose described in this Privacy Statement which may involve the transfer of your personal information outside of Australia (including to countries where there may be less stringent data protection laws) to process personal information on our behalf. Where this is the case, it may not be possible to ensure that the overseas recipient does not breach the Australian Privacy Principles ('APP') in relation to your personal information.

In providing us with your personal information, you consent to the possibility that your personal information may be transferred outside of Australia for processing and agree that APP 8.1 shall not apply to the disclosure, nor will the Trustee be liable under the Privacy Act 1988 (Cth) ('Privacy Act') in the event that the recipient does not act consistently with the APPs.

The Trustee may also collect certain personal information from you and/or disclose your personal information to government or regulatory bodies where permitted or required to do so by law. For example, the Trustee may be required to collect and disclose certain information in order to comply with the identification and verification requirements imposed under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. For certain Investors, the Trustee may also be required to collect and disclose certain personal information to the ATO in order to comply with the Foreign Account Tax Compliance Act

If you notify the Trustee that you have a financial adviser, either on your Application Form or in writing (at a later date), you consent to the Trustee disclosing to that financial adviser details of your investment in the Fund and/or other related personal information.

The Trustee will take reasonable steps to ensure that the personal information about an Investor or other relevant person that it collects, uses or discloses is accurate, complete and up to date. You or another relevant person can request access to your personal information or a copy of the Trustee's Privacy Policy by telephone or writing to the Privacy Officer at:

Privacy Officer
Vasco Custodians Pty Ltd
Level 5, 488 Bourke Street,
Melbourne, Victoria 3000,
info@vasco.com
+61 3 8352 7120

The Trustee's Privacy Policy is also available on its website: www.vascofm.com

9.4 Complaints Handling

Applicants and Investors who wish to make a complaint about the Fund should contact the Trustee by telephone on (03) 8352 7120, by email to info@vascofm.com, or in writing addressed to:

The Complaints Officer
Vasco Custodians Pty Ltd
Level 5, 488 Bourke Street
Melbourne VIC 3000

The Trustee will acknowledge a complaint as soon as practicable after receiving it and will notify the complainant of its decision, remedies and other information within 45 days of the complaint being made.

9.5 Transfers

Investors can transfer the ownership of their Units provided that the transferee meets the requirements of an Investor in the Fund and has been approved by the Trustee.

Any rights attaching to the Units will remain on foot upon transfer of those Units.

Under the Trust Deed, the Trustee has the discretion to refuse the transfer of Units and is not obliged to accept a transfer of Units. Please note that a transfer of Units may have taxation consequences which are the responsibility of Investors to determine prior to any transfer.

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

9.6 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:

- Nightingale Investments Pty Ltd
- Nightingale Albion Landholding Pty Ltd
- D H Flinders Pty Ltd
- Vasco Fund Services Pty Limited
- Vasco Trustees Limited

10. Glossary

| Term | Definition |
|-----------------------------------|---|
| Administration Agreement | The agreement between the Trustee and the Administration Manager appointing the Administration Manager as the administrator of the Fund. |
| Administration Manager | Vasco Fund Services Pty Limited (ACN 610 512 331) who is the administrator of the Fund pursuant to the Administration Agreement. |
| AFSL | Australian financial services licence. |
| Application Form | The application form included in this IM. |
| ASIC | Australian Securities and Investments Commission. |
| Business Day | A day on which Australian banks are open for business in Melbourne. |
| CAR | Corporate authorised representative. |
| 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. |
| | |
| Corporations Act | <i>Corporations Act 2001</i> (Cth) for the time being in force together with the regulations of the Corporations Act. |
| GST | Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999, as amended. |
| Gross Asset Value | Has the same meaning as defined in the Trust Deed. |
| Investment Manager or Nightingale | Nightingale Investment Management Pty Ltd (ACN 646 885 118) a corporate authorised representative (No. 001285673 of D H Flinders Pty Ltd (ACN 141 601 596 AFSL 353001). |
| Offer | Offer of Units in the Fund pursuant to this IM |
| IM | This Information Memorandum in respect of the issue of Units in the Fund. |
| Investment Management Agreement | The investment management agreement between the Trustee and the Investment Manager dated on or about the date of this IM. |
| Investor | A holder of Units. |
| Trust Deed | The Trust Deed for the Fund dated 16 February 2021 as amended from time to time. |
| Trustee or Vasco | Vasco Custodians Pty Ltd (ACN 644 232 539) a corporate authorised representative (No. 001283924) of D H Flinders Pty Ltd ACN 141 601 596 AFSL 353001. |
| Unit | A unit in the Fund. |
| Wholesale Client | 'Wholesale client' as defined under section 761G of the Corporations Act. |

11. 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:

**The Nightingale Fund
Vasco Fund Services 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

The Nightingale Fund

Nightingale Albion Investment Option



Use this application form if you wish to invest in:

The Nightingale Fund

Nightingale Albion Investment Option

The Information Memorandum (IM) for the Nightingale Albion Investment Option of The Nightingale Fund (Fund) dated 1 March 2021, includes information about purchasing Units in the Nightingale Albion Investment Option Fund. Any person who gives another person access to this 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 Custodians Pty Ltd ACN 644 232 539 (Vasco). 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 depending on what type of investor you are e.g. individual or super fund. The Customer Identification Forms are available on our website www.vascofm.com or by calling our Investor Services team on 03 8352 7120.

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

Investors are required to complete this Application Form together with the relevant Customer Identification Form and send these to us with the required identification documentation. We will not be able to process your Application without a correctly completed Customer Identification Form and the required identification documentation.

Important Information for Financial Advisers

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

If you are a financial adviser who has identified and verified the investor, by completing this Customer Identification Form together with Section 11 and the verification procedure and in the consideration of Vasco accepting the investor's application:

- you agree to identify and verify using this Customer Identification Form for 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 Fund Services Pty 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 Application Form in full;
- ☐ for new investments, completed the relevant 'Customer Identification Form' available on our website www.vascofm.com;
- ☐ if paying via direct debit, completed section 10 ensuring ALL bank account signatories have signed;
- ☐ if paying via cheque, ensure cheque is made payable to 'Vasco Custodians Pty Ltd ATF The Nightingale Fund' and attach it to this application form; and
- ☐ read the declaration and provided all relevant signatures.



4. Contact details

This is the address where all correspondence will be sent.

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

5. Tax information

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

5a. Individual investor or entity

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

5b. Investor 2 (joint investors)

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

5c. Non-residents

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

| | | | | | | | | | | | | | | | | | | | |
|----------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| <input type="text"/> | | | | | | | | | | | | | | | | | | | |
|----------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

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 Custodians Pty Ltd ATF The Nightingale Fund'.

| Fund name | Initial investment |
|---|--|
| The Nightingale Fund - Nightingale Albion Investment Option | \$ <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> |

Cheque Instructions: Bank Cheques or drafts must be made payable to Vasco Custodians Pty Ltd ATF The Nightingale Fund. Only cheques or drafts in Australian currency and drawn on an Australian bank will be accepted. Your cheque(s) should be crossed NOT NEGOTIABLE. Mail or deliver your completed Application Form with your cheque(s) to:

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

Direct Credit / EFT Instructions

Alternatively you can direct credit your application funds to:
Vasco Custodians Pty Ltd ATF The Nightingale Fund
Macquarie Bank
BSB 182 512
Account number 968 930 263
Swift Code - MACQAU2SXXX
Please note the applicants name when transferring the funds.
Please ensure all funds transferred are net of all bank charges.

7. Annual report

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

8. Eligible Investor Qualification

In order to participate in the Offer you must be an Eligible Investor.

Part 1 – Investor category

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

(a) Sophisticated Investor/Wholesale Client

Applicant 1 Applicant 2
(if joint application)

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | I am applying for \$500,000 or more worth of Units (please continue to Section 9). |
| <input type="checkbox"/> | <input type="checkbox"/> | I have net assets of at least \$2.5 million (please arrange for a Qualified Accountant to complete Part 2 of Section 8 of this Application Form). |
| <input type="checkbox"/> | <input type="checkbox"/> | I have earned at least \$250,000 per annum gross income for each of the last two financial years (please arrange for a Qualified Accountant to complete Part 2 of Section 8 of this Application Form). |

(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 8 of this Application Form). |
| <input type="checkbox"/> | <input type="checkbox"/> | I hold Australian Financial Services Licence No. (please provide AFSL no.) <div style="border: 1px solid black; width: 100%; height: 1.2em; margin-top: 2px;"></div> |

Part 2 – To be completed by a Qualified Accountant

Insert full name and address of Qualified Accountant

| | |
|---------------------------------------|--|
| Name | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Address | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Suburb | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| State | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Postcode | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Country | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Phone (after hours) | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Mobile | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Email | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Professional classification (eg. CPA) | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Phone (business hours) | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Facsimile | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |
| Membership No: | <div style="border: 1px solid black; width: 100%; height: 1.2em;"></div> |

8. Eligible 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 / /

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

Unless requested otherwise, this will also be the bank account we credit any withdrawal proceeds and/or distributions. 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

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

Please read the declarations below before signing this form. The signatures required are detailed at the bottom of this Application Form.
I/We declare that:

- all details in this Application Form and all documents provided are true and correct and I/we indemnify Vasco 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 IM (including the incorporated information) and current Trust Deed of the Fund (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 invitation to subscribe for units in the Fund in Australia and warrant to Vasco that I/We are permitted to invest in the Fund without Vasco obtaining any further authorisation, registration or certification in any country other than Australia and agree to indemnify Vasco for any loss suffered if this warranty is untrue;
- 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 headings 'Privacy' 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 Trust Deed of the Fund 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, the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS)) and I/we must provide Vasco with such additional information or documentation as Vasco may request of me/us, otherwise my/our Application for Units may be refused, Units I/we hold may be compulsorily redeemed, and any disposal request by me/us may be delayed or refused and Vasco will not be liable for any loss arising as a result thereof;
- I/we have provided a tax file number, and if not, I/we consent to Vasco withholding tax at the highest marginal tax rate;
- I/we acknowledge and agree to having read and understood the risks of investing in the fund as described in the IM 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 not a United States citizen or resident of the United States for tax purposes, nor am/are I/we subject to the reporting requirements of FATCA;
- I/we are a "wholesale client" for the purposes of section 761G of the Corporations Act and relevant information has been provided to confirm this and by investing in this Fund I/we will not cause any breach of the Corporations Act by or for Vasco;
- if the Applicant is a SMSF, it is compliant and investing in this Fund complies with the Superannuation Industry Supervision Act 1993 (Cth); and
- I/we hold the appropriate authorisations to become an Investor in the Fund and that offer cannot be revoked.

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

Refer to list of signatories on page 57 of this application form.

Investor 1 / Signatory 1

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

Investor 2 (joint investors) / Signatory 2

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

Signing Authority

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

☐ Only one required to sign.

☐ All signatories must sign.

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

11. Adviser use only

By submitting this form with this section completed by your advisor you consent to your advisor receiving information about your investment in the Fund.

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

ADVISER STAMP

Important notes

This application must not be handed to any person unless the relevant IM and access to the information incorporated into the IM is also being provided. 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.

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.

Signatories

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

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

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

**This is not required in some circumstances.

Corporate Directory

Trustee

Vasco Custodians Pty Ltd (ACN 644 232 539)

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Telephone: +61 3 8352 7120

Facsimile: +61 3 8352 7199

Email: info@vascofm.com

Internet: www.vascofm.com

Administration Manager

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Investment Manager

Nightingale Investment Management Pty Ltd (ACN 646 885 118)

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Email: duncan@nightingalehousing.org

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