

# RAINWATER CAPITAL



## Rainwater Capital Investment Fund Information Memorandum

25 October 2021

**Trustee** Vasco Custodians Pty Ltd  
ACN 644 232 539

**Investment Manager** Rainwater Capital Pty Ltd  
ACN 652 938 791

**Administration Manager** Vasco Fund Services Pty Limited  
ACN 610 512 331

# IMPORTANT INFORMATION

This Information Memorandum (**IM**) is dated 25 October 2021.

This IM details the features, benefits, risks, and general information about the offer of units (**Units**) in the Rainwater Capital Investment Fund (**Fund**).

This IM is issued by Vasco Custodians Pty Ltd ACN 644 232 539 AFSL 530 682 (**Vasco or Trustee**) in its capacity as trustee of the Fund.

DHF Investment Services Pty Ltd ACN 644 231 158 (**Sub-Funds Trustee**) is the trustee of the the Rainwater Capital Emerging Company and the Rainwater Capital Commercial Property Fund (**Sub-Funds**). The Trustee and the Sub-Funds Trustee have appointed Rainwater Capital Pty Ltd (ACN 652 938 791) (**Investment Manager**) as the investment manager of the Fund and the Sub-Funds. The Investment Manager is a corporate authorised representative (No. 001293280) of D H Flinders.

The Trustee and Sub-Funds Trustee have also appointed Vasco Fund Services Pty Limited ACN 610 512 331 (**Administration Manager**) as the administration manager of the Fund and the Sub-Funds.

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

## Unit classes

The Trustee may issue Units in different Unit classes which offer investors different rights, features, or benefits.

Where relevant, the specific information of a Unit class that may differ from, or elaborate on, the information contained in this IM will be set out in the relevant Supplementary Information Memorandum.

## Glossary

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

## Images

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

## Updated information

Information in this IM may change and may be updated or replaced from time to time. Unless the changed information is materially adverse to the Investors' rights, the Trustee may not always update or replace this IM to reflect the changed information. Updated information regarding this IM may be made available on the Trustee's website or otherwise by issuance of a replacement or supplementary information memorandum published on the Trustee's website at [www.vascofm.com](http://www.vascofm.com).

## Questions

Any questions regarding this IM should be directed to the Investment Manager by phone on +61 3 8612 7214, or email to [invest@rainwatercapital.com.au](mailto:invest@rainwatercapital.com.au) or by post to Level 32, 367 Collins Street, Melbourne, Victoria, 3000, Australia, or the Trustee on +61 3 8352 7120 or at [info@vascofm.com](mailto:info@vascofm.com) or at Level 4, 99 William Street, Melbourne, Victoria, 3000, Australia.

## ASIC

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

## Restrictions on distribution

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

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

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

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

## Investors from Australia

With respect to Australian jurisdiction, this IM has been prepared on the basis that prospective Investors are wholesale clients or sophisticated investors, not retail clients (all within the meaning of the Corporations Act). Accordingly, this IM is not a product disclosure statement and does not contain all of the information that would be included in a product disclosure statement issued under the Corporations Act.

The Trustee and Investment Manager are regulated by the Australian Securities and Investments Commission (**ASIC**) under the Corporations Act 2001 (Cth). ASIC is located at 120 Collins Street, Melbourne VIC 3000, Australia and can be contacted on 1300 300 630.

## Investors from Singapore

With respect to Singaporean jurisdiction, this IM has been prepared on the basis that prospective Investors are also accredited investors or certain other persons prescribed under s305 of the Securities and Futures Act. Accordingly, this scheme is not authorised or recognised by the Monetary Authority of Singapore and Units in this scheme are not allowed to be offered to the retail public.

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

## Foreign languages

This IM has been prepared in English and is intended to be read and understood in English. The Trustee has not issued or caused the issue of this IM in any language other than English. Any translations into other languages are for information purposes only. If there is any inconsistency between this English language version of the IM and a translation into another language, then this English language version will prevail.

## Investor to undertake own due diligence

Information contained in this IM has been provided to prospective Investors to assist them to make an assessment of whether or not to apply 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, nor their related parties, officers, employees, consultants, advisers or agents have carried out an independent audit or independently verified any of the information contained in this IM. The Trustee has not sought to verify any statements contained in this IM about the investments proposed by the Investment Manager, the Investment Manager's business or the business of any other parties named in this IM.*

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

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

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

## IMPORTANT WARNING STATEMENTS

### No performance guarantee

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



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

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

An investment in the Fund is subject to investment risks which are described in Section 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 making a decision about whether to apply to invest in the Fund. The information contained in this IM is general information only and not personal financial product advice and therefore does not take into account the individual objectives, financial situation, needs or circumstances of Investors.

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

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

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

#### **No representation other than this IM**

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

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

#### **Forward looking statements**

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

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

Due to various risks and uncertainties, including those set forth under "Risks" in Section 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 Fund and associated documents and nothing in this IM limits or qualifies the powers and discretions conferred upon the Trustee and the Investment Manager under those documents. This IM should be read in conjunction with the Trust Deed and associated documents for the Fund. In the event of any inconsistency between the Trust Deed and associated documents and this IM, then the Trust Deed and associated documents will prevail to the extent of the inconsistency.

#### **Independent financial advice**

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

#### **Significant Investor Visa and Investor Visa Applications**

The Fund is not authorised, endorsed or guaranteed by the Australian Government or the Department of Home Affairs.

If an applicant is applying to become an Investor in the Fund, then it is the responsibility of that applicant (and not the Trustee nor the Investment Manager) to ensure that it meets all of its obligations and requirements that relate to its application for, and grant of, a provisional or permanent Significant Investor Visa or Investor Visa.

An investment in the Fund in itself does not entitle the Investor to a Significant Investor

Visa or Investor Visa, and neither the Trustee, Investment Manager nor any of their associates, make any representation, warranty or guarantee that an investment in the Fund in itself will secure the grant of a Significant Investor Visa or Investor Visa to the Investor. The Trustee, Investment Manager and their associates, accept no liability whatsoever for any loss or damage arising from an Investor relying on its investment in the Fund as securing the grant of a Significant Investor Visa or Investor Visa.

#### **Eligible SIV and IV funds and who can invest**

The Australian Government introduced changes to the Significant Investor Visa framework which would apply to applicants invited to apply for the Significant Investor Visa on or after 1 July 2021 (**New SIV Regime**).

This New SIV Regime has different rules and applications to the SIV Regime rules that applied to applicants who were invited to apply for the Significant Investor Visa from 1 July 2015 to 30 June 2021 (**Old SIV Regime**).

Among other changes, the New SIV Regime revised the proportions of the investment amount to be made into each of the three categories of investments under the Complying Investment Framework (CIF).

The Complying Investment Framework would also apply to applicants invited to apply for the Investor Visa (IV) from 1 July 2021 (**New IV Regime**), under changes also introduced to the IV.

It is intended the Fund will be a complying investment under the New SIV Regime, the Old SIV Regime, and the New IV Regime. However, the investment amounts to be made into each of the three categories of investments under the Complying Investment Framework (CIF) will differ for each Investor, depending on when that Investor was invited to apply for the SIV or IV.

For more information on the SIV and IV investment guidelines and the CIF, refer to Section 4 of this IM.

You do not have to be the holder of, or an applicant for, a Significant Investor Visa (**SIV Investor**) or Investor Visa (**IV Investor**) to invest in the Fund. Anyone who is a Qualifying Investor can invest in the Fund.

#### **Venture Capital Fund**

In order to comply with the Old SIV Regime and New IV Regime, at least \$0.5 million of an Investor's \$5 million or \$2.5 million investment (respectively) must be invested into a venture capital fund. In order to comply with the New SIV Regime, at least \$1 million of an Investor's \$5 million investment must be invested into a venture capital fund. The Trustee has entered into a distribution agreement with Vantage Private Equity Management Partnership, LP (ILP: L0000417A), a third party operator of a regulated venture capital fund known as the Vantage Private Equity Growth 5 (**VPEG5**).

Please note investment in the venture capital fund is not effected pursuant to this IM. The venture capital fund has its own information memorandum and rules and investors should read those and form their own view.

If you choose to invest in VPEG5, then you agree to the power of attorney made in the Application Form by signing the Application Form.

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# LETTER TO INVESTOR

Dear Investor,

Rainwater Capital Pty Ltd (Rainwater Capital), as Investment Manager, is delighted to present to you an opportunity to invest in the Rainwater Capital Investment Fund (Fund).

Rainwater Capital is a Melbourne based real estate advisory and funds management firm. We work with overseas clients to understand their investment requirements, and leverage on our extensive knowledge and networks in Australia to help them seek out suitable investment opportunities in Australia.

The management of Rainwater Capital has more than 20 years' experience across real estate investment, finance, and funds management spanning Singapore, China, and Australia. Our Asia-Pacific exposure has equipped us with an intimate understanding of the region, while our Australian base has allowed us to stay on top of the market to discern investment opportunities here.

The Fund provides investors access to a range of SIV and IV qualifying investments including:

- Emerging Companies Investments
- Venture Capital and Growth Private Equity Funds (VCPEFs) investments
- Balancing Investments

For many SIV and IV applicants, the investments they make under the respective Visa program requirements would be their first or single largest investment in Australia. Understandably, most of these Investors would prefer to adopt a more conservative investment approach. The Fund seeks to meet the investment priorities of SIV and IV Investors as far as possible. The emphasis of the Fund is on preserving capital - avoiding excessive risk while providing a commensurate investment return.

The Fund has an independent trustee, Vasco Custodians Pty Ltd (**Vasco** or **Trustee**). Vasco is part of a corporate trustee group that provides responsible entity, trustee and fund administration services to Australian and international investment managers. The Vasco team has significant experience in the Asia Pacific region in the management of equity funds, fixed income funds, REITs, private equity real estate funds, real estate securities funds, and mortgage and real estate debt funds. Some of the funds Vasco's executives have developed include the \$2.5 billion Australian Unity Healthcare Property Trust and the \$1.5 billion AIMS Industrial REIT listed on the Singapore Stock Exchange (SGX).

I invite you to read through this IM (including Section 8 entitled "Risks") to allow you to make an informed decision before investing in the Fund.

On behalf of Rainwater Capital, I look forward to your participation in this investment opportunity.

**Wallace Woon**

Director

**Rainwater Capital Pty Ltd**

# 1. KEY FEATURES OF THE FUND

- ✓ A specifically designed SIV and IV qualifying investment fund.
- ✓ Access to a broad range of qualifying investments.
- ✓ Specialist investment managers have been selected for each asset class.

## 1.1. Key Features of the Emerging Companies Unit Class

- ✓ The Rainwater Capital Emerging Companies Unit Class (**Emerging Companies Unit Class**) will invest in the Rainwater Capital Emerging Companies Fund.
- ✓ The Rainwater Capital Emerging Companies Fund will invest in the Prime Value SIV Emerging Companies Fund (**Prime Value Fund**).
- ✓ The Rainwater Capital Emerging Companies Fund may also invest up to 20% of the fund's net assets in cash held by Australian ADIs.
- ✓ The Prime Value Fund invests directly in ASX emerging companies. The Prime Value Fund meets the Australian Department of Home Affairs Significant Investor Visa (**SIV**) and Investor Visa (**IV**) requirements as a compliant 'managed investment fund' investing in 'Emerging Companies Investments'.

## 1.2 Key Features of the Balancing Unit Class

- ✓ The Rainwater Capital Balancing Unit Class (**Balancing Unit Class**) will invest in the Rainwater Capital Commercial Property Fund.
- ✓ The Rainwater Capital Commercial Property Fund will invest in one or more unlisted commercial property funds that meets its investment criteria.
- ✓ As suitable unlisted commercial property fund investment opportunities are not always available, the Fund may invest in the Prime Value SIV Enhanced Income Fund (**Fixed Income Fund**), until such time as a suitable unlisted commercial property fund investment opportunity becomes available.
- ✓ The Rainwater Capital Commercial Property Fund may also invest up to 20% of the fund's net assets in cash held by Australian ADIs.
- ✓ Each of the unlisted commercial property funds that the Fund will invest in and the Fixed Income Fund meets the SIV and IV requirements as a compliant 'managed investment fund' investing in 'Balancing Investments'.

## 1.3 Key Features of the Vantage Private Equity Growth 5

- ✓ The Trustee has negotiated an arrangement through which you will be able to invest in Vantage Private Equity Growth 5 (**VPEG5**), a SIV and IV complying growth private equity fund.
- ✓ VPEG5 is a growth private equity fund of funds investment managed by Vantage Private Equity Management Partnership, LP, focused exclusively on lower to mid-market growth private equity investments in Australia.
- ✓ The businesses invested in by the funds selected by Vantage typically have a strong market position and generate strong cash flows allowing VPEG5 to generate strong consistent returns to investors.
- ✓ Additional venture capital funds may be offered to investors in the future.

Note: Your investment in VPEG5 will not be made via the Fund, but will be arranged for you separately in order to take advantage of the tax benefits available to investors in Australian venture capital funds.

## 2. KEY TERMS

The table below is a summary of the key features of an investment in the Fund. It is not intended to be exhaustive, or constitute any guarantee as to the future performance or activities of any Unit class in the Fund. You must read the whole of this IM to obtain more detailed information before making a decision to invest in the Fund. Any fees and costs disclosed below are exclusive of GST unless otherwise stated.

Feature	Description	Further Details
<b>Fund name</b>	Rainwater Capital Investment Fund	-
<b>Investment Manager</b>	Rainwater Capital Pty Ltd	6.1
<b>Trustee and Custodian</b>	Vasco Custodians Pty Ltd	6.2
<b>Administration Manager</b>	Vasco Fund Services Pty Limited	6.2
<b>Sub-Funds</b>	Rainwater Capital Emerging Companies Fund Rainwater Capital Commercial Property Fund	5
<b>Investment manager of the Sub-Funds</b>	Rainwater Capital Pty Ltd	-
<b>Investment manager of VPEG5</b>	Vantage Private Equity Management Partnership, LP.	-
<b>Trustee of the Sub-Funds</b>	DHF Investment Services Pty Ltd	-
<b>Structure</b>	<p>The Fund is an unregistered unit trust established pursuant to the Trust Deed and is governed by Australian law.</p> <p>There are two classes of Units on issue in the Fund, being:</p> <ol style="list-style-type: none"> <li>1. Rainwater Capital Emerging Companies Units (<b>Emerging Companies Units</b>): funds subscribed for the Emerging Companies Units will be invested in the Rainwater Capital Emerging Companies Fund and will only have a right to the income and capital received from the Fund's investment in the Rainwater Capital Emerging Companies Fund, and</li> <li>2. Rainwater Capital Balancing Units (<b>Balancing Units</b>): funds subscribed for the Balancing Units will be invested in the Rainwater Capital Commercial Property Fund and will only have a right to the income and capital received from the Fund's investment in the Rainwater Capital Commercial Property Fund.</li> </ol>	5
<b>Investment objective</b>	To provide SIV and IV Investors with access to a diversified range of SIV and IV compliant investments. The emphasis of the Fund is on preserving capital - avoiding excessive risk while providing a commensurate investment return. It is suitable for SIV and IV Investors who prefer a more conservative investment approach.	3
<b>Investment options</b>	<ul style="list-style-type: none"> <li>• Emerging Companies Investments - investment via the Emerging Companies Units, which will invest in the Rainwater Capital Emerging Companies Fund, which will invest in the Prime Value Fund (and up to 20% of the Fund's net assets in cash).</li> <li>• Balancing Investments - investment via the Balancing Units, which will invest in the Rainwater Capital Commercial Property Fund, which will invest in unlisted commercial property funds and the Fixed Income Fund (and up to 20% of the fund's net assets in cash).</li> <li>• Venture capital and private equity investments (VCPEF) - via VPEG5 (via a separately managed investment).</li> </ul>	5

Feature	Description	Further Details
<b>SIV investment guidelines</b>	<p>Under the Old SIV Regime regulations, of the \$5 million minimum investment, there is a mandatory requirement to invest at least \$0.5 million in VCPEF investments, at least \$1.5 million in Emerging Companies Investments, and the remainder of \$3.0 million in Balancing Investments.</p> <p>Under the New SIV Regime regulations, of the \$5 million minimum investment, there is a mandatory requirement to invest at least \$1 million in VCPEF investments, at least \$1.5 million in Emerging Companies Investments, and the remainder of \$2.5 million in Balancing Investments.</p> <p>Under the New IV Regime regulations, of the \$2.5 million minimum investment, there is a mandatory requirement to invest at least \$0.5 million in VCPEF investments, at least \$0.75 million in Emerging Companies Investments, and the remainder of \$1.25 million in Balancing Investments.</p> <p>There are very limited circumstances in which investment in residential property can be a complying investment under the SIV regulations. Therefore, the Balancing Investments will not include direct investment in residential real estate.</p> <p>For more information on the SIV investment guidelines, refer to section 4 of this IM.</p>	<b>4</b>
<b>Issue of Units and Pricing</b>	<p>Units are expected to be issued within 10 Business Days of the end of the month in which a completed Application Form and Application Monies are received.</p> <p>However, the issuance of Units may be delayed by more than 10 Business Days, where the Fund is waiting on valuation information in respect of the underlying investments that the Emerging Companies Units and Balancing Units are exposed to.</p> <p>Units will be issued using the Unit Price calculated as at the last day of the month in which a completed Application Form and the Application Monies are received, and are issued at the start of the following month.</p> <p>Further detail about the Unit Price for the Fund is outlined in section 5.4.</p> <p>Further detail about applying for Units in the Fund is outlined in section 12.</p>	<b>5.3 &amp; 5.4 &amp; 12</b>
<b>Target Fund Size</b>	There is no minimum or maximum subscription level restriction on the amount that can be raised.	<b>-</b>
<b>Distributions</b>	Distributions are expected to be paid to Investors nominated bank accounts.	<b>5.6</b>
<b>Redemptions</b>	<p>You will not be able to withdraw your investment in the Fund until after the fourth anniversary of the date on which your Units were issued. Following this date, you may submit a withdrawal request to the Trustee setting out the number of Units you wish to withdraw from the Fund.</p> <p>The Trustee will use reasonable endeavours to satisfy valid withdrawal requests, however, it is not obliged to do so where there is insufficient cash available in the Fund or the Trustee considers it would be a material disadvantage to the Fund if some or all requests were met.</p> <p>Subject to those qualifications, withdrawal requests will be processed and satisfied within 90 days of receipt. Your ability to withdrawal your VCPEF investment will depend upon the liquidity of the VCPEF and you should refer to the relevant disclosure document.</p>	<b>5.5</b>



Feature	Description	Further Details
<b>Minimum Investment</b>	<p><b>Significant Investor Visa</b></p> <p>\$5 million total commitment. The Investment Manager has the discretion to accept smaller amounts.</p> <p>If you were invited to apply for the SIV before 1 July 2021, your investment will be allocated as follows:</p> <ul style="list-style-type: none"> <li>• \$500,000 into VCPEF. This investment does not form part of the Fund, but Vasco will make the investment on your behalf and will report on it to you. For the time between when you provide us with your Application Monies and the time VPEG5 is ready to accept your investment, the money will be held by Vasco in escrow for VPEG5 and will be invested in the Vasco Cash Enhanced Fund.</li> <li>• \$1,500,000 in Emerging Companies Units.</li> <li>• \$3,000,000 in Balancing Units.</li> </ul> <p>If you were invited to apply for the SIV on or after 1 July 2021, your investment will be allocated as follows:</p> <ul style="list-style-type: none"> <li>• \$1,000,000 into VCPEF. This investment does not form part of the Fund, but Vasco will make the investment on your behalf and will report on it to you. For the time between when you provide us with your Application Monies and the time VPEG5 is ready to accept your investment, the money will be held by Vasco in escrow for VPEG5 and will be invested in the Vasco Cash Enhanced Fund.</li> <li>• \$1,500,000 in Emerging Companies Units.</li> <li>• \$2,500,000 in Balancing Units.</li> </ul> <p>Any amount you invest above \$5 million will be invested in Balancing Units, unless you otherwise direct the Trustee in your Application Form.</p> <p>Investors may also choose to invest only in particular Unit classes.</p> <p><b>Investor Visa</b></p> <p>\$2.5 million total commitment. The Investment Manager has the discretion to accept smaller amounts.</p> <p>If you were invited to apply for the SIV on or after 1 July 2021, your investment will be allocated as follows:</p> <ul style="list-style-type: none"> <li>• \$500,000 into VCPEF. This investment does not form part of the Fund, but Vasco will make the investment on your behalf and will report on it to you. For the time between when you provide us with your Application Monies and the time VPEG5 is ready to accept your investment, the money will be held by Vasco in escrow for VPEG5 and will be invested in the Vasco Cash Enhanced Fund.</li> <li>• \$750,000 in Emerging Companies Units.</li> <li>• \$1,250,000 in Balancing Units.</li> </ul> <p>Any amount you invest above \$2.5 million will be invested in Balancing Units, unless you otherwise direct the Trustee in your Application Form.</p> <p>Investors may also choose to invest only in particular Unit classes.</p> <p><b>Non SIV and IV Investors</b></p> <p>The minimum investment amount for each of the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund is \$500,000.</p>	-

Feature	Description	Further Details
<b>Fund Currency</b>	Australian Dollars (AUD)	-
<b>Term</b>	The minimum investment term is 4 years.  Please see section 5.5 for details on Withdrawal/Redemption.	-
<b>Target Returns</b>	<p>The Investment Manager is aiming for an indicative total return (comprising capital growth and income) of approximately 8% per annum (after all fees and expenses) for the Rainwater Capital Emerging Companies Fund.</p> <p>The Investment Manager is aiming for an indicative total return (comprising capital growth and income) of approximately 6% per annum (after all fees and expenses) for the Rainwater Capital Commercial Property Fund, when the Fund is fully invested in unlisted commercial property funds.</p> <p>These are targets net of all expected Fund expenses, and all fees, including performance fees, and these are targets only, and should not be relied upon as a promise or forecast of future returns. <b><i>None of the Trustee, the Investment Manager nor any other person or entity guarantees any income or capital return from the Fund.</i></b></p> <p>More details of target returns can be found in the disclosure statements published by the underlying funds.</p>	
<b>Gearing</b>	The Fund will not have any borrowings.	<b>3.3</b>
<b>Risks</b>	<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> <p>Neither the Trustee nor the Investment Manager guarantees distributions or capital returns.</p>	<b>8</b>
<b>Fees &amp; Costs</b>		
<b>Entry and Exit Fees</b>	None.	<b>7</b>
<b>Buy and sell spread</b>	<p>There is no buy-sell spread for the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund. As of the date of this IM, the buy-sell spread of the underlying funds are:</p> <p>For the Prime Value Fund, the current buy/sell spread is +/-0.40%.</p> <p>For the Fixed Income Fund, the current the buy/sell spread is +/-0.02%.</p> <p>More details of buy and sell spreads charged by the underlying funds can be found in the disclosure statements published by the underlying funds.</p>	<b>7</b>
<b>Investment Manager fees</b>	<p><b>Emerging Companies Investments</b></p> <p>The Investment Manager is entitled to a Management Fee of 1.5% per annum of the gross asset value of the Rainwater Capital Emerging Companies Fund</p> <p><b>Balancing Investments</b></p> <p>The Investment Manager is entitled to a Management Fee of 1.5% per annum of the gross asset value of the Rainwater Capital Commercial Property Fund.</p> <p><b>Venture Capital or Growth Private Equity Fund Investments</b></p> <p>The Investment Manager does not earn any management fees for the Venture Capital or Growth Private Equity Fund Investments but is paid a Referral Fee by the Trustee, who receives that fee from Vantage.</p> <p>These fees are detailed in sections 5.8, 5.9, 5.10 and 7.</p>	<b>5.8, 5.9, 5.10 and 7</b>

Feature	Description	Further Details
<b>Trustee fee</b>	<p>The Trustee is entitled to:</p> <ul style="list-style-type: none"> <li>• an Establishment Fee of \$32,000.</li> <li>• an Annual Fee, equal to 0.10% per annum of the Fund's gross asset value, subject to a minimum annual fee of \$25,000;</li> <li>• a Transaction Review Fee of \$250 for each set of investment documents requiring the Trustee's review and/or execution; and</li> <li>• a Regulatory Levy Recovery Fee of \$1,500 per annum plus \$75 for each \$1 million of gross asset value (GAV).</li> </ul> <p>The Trustee's Annual Fee will be apportioned pro-rata across all Unit classes based on the respective GAV of each Unit class.</p> <p>The Trustee is also entitled to termination fee of \$14,500 in the event of the Fund's termination or the Trustee's replacement by another party.</p> <p>These fees are subject to GST. The Trustee's engagement is for a minimum period of four (4) years.</p>	<b>7</b>
<b>Sub-Fund Trustee fees</b>	<p>DHF Investment Services Pty Ltd is entitled to an annual fee of up to:</p> <ul style="list-style-type: none"> <li>• \$10,000 per annum for acting as trustee of the Rainwater Capital Emerging Companies Fund; and</li> <li>• \$10,000 per annum for acting as trustee of the Rainwater Capital Commercial Property Fund.</li> </ul>	<b>5.8, 5.9 and 7</b>
<b>Administration fee</b>	<p>The Administration Manager is entitled to an Administration Fee of:</p> <ul style="list-style-type: none"> <li>• \$25,000 per annum where the Fund has gross assets of less than \$20 million and there are less than 25 Investors; or</li> <li>• \$35,000 where the Fund has gross assets of \$20 million or more or there are 50 or more Investors.</li> <li>• An additional administration fee of \$10,000 per annum applies to each Sub-Fund.</li> </ul> <p>The Administration Fee is subject to an annual increase of 5% on 1 January of each year.</p> <p>The Administration Fee for the Fund will be apportioned pro-rata across all Unit classes based on the respective GAV of each Unit class.</p> <p>These fees are subject to GST. The Administration Manager's engagement is for a minimum period of four (4) years.</p>	<b>7</b>
<b>Expenses</b>	<p>The Trustee or a relevant party appointed by the Trustee is entitled to be paid or reimbursed for expenses associated with establishing and operating the Fund, such as the costs associated with the administration or distribution of income and other expenses properly incurred in connection with performing its duties and obligations in the day-to-day operation of the Fund.</p>	<b>7</b>
<b>Other Fees &amp; Costs</b>	Other Fees & Costs relating to the Fund are detailed in Section 7.	<b>7</b>

## 3. INVESTMENT STRATEGY AND OBJECTIVE

### 3.1 Overview

The management of Rainwater Capital Pty Ltd ('Rainwater Capital') has considerable investment and funds management experience. Rainwater Capital has been appointed investment and asset manager to research, advise on and monitor the performance of complying investments for the Fund as outlined in this IM.

Immigration to Australia under the Significant Investor Visa (**SIV**) program was first introduced in 2012 to provide a 4-year pathway to Australia for permanent residency for migrants who invest at least \$5 million into a portfolio of complying investments.

In July 2015 the Australian Government implemented major changes to the SIV program. One of the key changes was the introduction of a Complying Investment Framework (CIF), which stipulated three categories of complying investments, namely Venture Capital and Growth Private Equity Funds (**VCPEF**) investments, Emerging Companies Investments, and Balancing Investments.

The policy intent of these changes was to channel SIV monies into areas of the Australian economy which the Australian Government believed required more capital support, which would more effectively promote investment, innovation and commercialisation of Australian ideas, research and development.

In July 2021, the SIV program and the CIF were further revised. Among other changes, the mandated investment amount for VCPEF was increased and that for Balancing Investments reduced. At the same time, changes were also made to another visa category, the Investor Visa (IV), with the revised CIF introduced to the IV as well.

The Fund has been established to allow SIV Investors access to a range of qualifying investments under the SIV rules applying since July 2015, and IV Investors access to the same range of qualifying investments under the IV rules applying since July 2021.

Access to the Emerging Companies Investment and Balancing Investments will be made available by investment in the two Unit classes of the Fund, the Rainwater Capital Emerging Companies Unit Class (Emerging Companies Unit Class) and the Rainwater Capital Balancing Unit Class (Balancing Unit Class). The money raised from the Emerging Companies Unit Class will be invested into Emerging Companies Investments (through the Rainwater Capital Emerging Companies Fund) and the money raised from the Balancing Unit Class will be invested into Balancing Investments (through the Rainwater Capital Commercial Property Fund). See section 5.1 for further information on the Fund's structure.

Access to VCPEFs will also be managed on each Investor's behalf. However, the investment itself will not be an asset of the Fund, but will be held by each Investor. This structure has been adopted to take advantage of tax concessions which are available to investors of VCPEFs under Australian tax laws which may not be accessible if the same investment were made via the Fund.

The Trustee has appointed Rainwater Capital Pty Ltd as the Investment Manager for the purposes of marketing the Fund to investors and managing the investments of the Fund with a view to achieving returns for Investors.

### 3.2 Strategy and Objective

For many SIV and IV applicants, the investments they make under the respective Visa program requirements would be their first or single largest investment in Australia. Understandably, most of these Investors would prefer to adopt a more conservative investment approach. The objective of the Rainwater Capital Investment Fund is to support the SIV and IV policy intent of the Australian government, while meeting the investment priorities of SIV and IV Investors as far as possible.

Rainwater Capital has rigorously researched the market to identify suitable investments for the Fund and conducted robust due diligence on each of the investments. The emphasis is on preserving capital – avoiding excessive risk and providing a commensurate investment return. In all cases, the investments must be SIV and IV compliant.

#### Rainwater Capital Emerging Companies Fund

The strategy of the Rainwater Capital Emerging Companies Fund is to invest in an SIV and IV compliant emerging companies fund that meets the following criteria:

- Comprised of securities, primarily companies listed on an Australian stock exchange with a market cap of less than \$500m at the time of first purchase by the fund;
- Non-speculative - Focus on medium to long term growth;
- Emphasis to be on capital preservation, with a reasonable target return that discourages excessive risk;
- Use of derivatives for risk management purposes only.



In line with the above strategy, the Rainwater Capital Emerging Companies Fund will invest in the Prime Value SIV Emerging Companies Fund (**Prime Value Fund**).

The Rainwater Capital Emerging Companies Fund may also invest up to 20% of the fund's net assets in cash held by Australian ADIs.

The Prime Value Fund meets the Australian Department of Home Affairs' SIV and IV requirements as a compliant 'managed investment fund' investing in 'Emerging Companies Investments'.

### **Rainwater Capital Commercial Property Fund**

The strategy of the Rainwater Capital Commercial Property Fund is to invest in one or more SIV and IV compliant unlisted commercial property funds that meet the following criteria.

- Invest in industrial, office, retail or healthcare property sectors or adopt a diversified approach;
- Have the potential to pay attractive distributions and exhibit the potential for capital growth;
- Hold sizeable Assets under Management;
- Hold assets well diversified in terms of location and tenant profile;
- Hold assets that have a relatively long Weighted Average Lease Expiry ('WALE'); and
- Hold a good proportion of tenancies with locked in annual rent increases.

The Rainwater Capital Commercial Property Fund may invest in unlisted commercial property funds that are involved in development projects as part of their investment portfolio, but will not invest in funds that are exclusively focused on development projects. The investment criteria for these funds where some development is occurring will be different to the criteria for commercial property funds which are focused on leasing activity. In addition, a distribution payment to investors from funds that engage in development activity cannot be guaranteed.

As suitable unlisted commercial property fund investment opportunities are not always available, to ensure compliance with SIV and IV regulations, the Fund may invest in the Prime Value SIV Enhanced Income Fund (**Fixed Income Fund**), until such time as a suitable unlisted commercial property fund investment opportunity becomes available.

The Rainwater Capital Commercial Property Fund may also invest up to 20% of the fund's net assets in cash held by Australian ADIs.

Each of the unlisted commercial property funds that the Fund will invest in and the Fixed Income Fund meets the Australian Department of Home Affairs Significant Investor Visa (SIV) and Investor Visa (IV) requirements as a compliant 'managed investment fund' investing in 'Balancing Investments'.

### **Review of Investments**

The Investment Manager shall review the investments of the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund from time to time to ensure that the investments remain compliant to SIV and IV regulations, continue to be substantially aligned to the stated Investment Strategy, and stay relevant to market conditions and available investment opportunities.

Where necessary, the Investment Manager may invest in other SIV and IV compliant 'Emerging Companies Investments' and 'Balancing Investments' through the existing the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund, or establish new Sub-Funds to make such investments.

### **Risk Management**

Should market conditions call for it, the Investment Manager may also take additional measures aimed at the preservation of capital of the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund. For example, within the Rainwater Capital Commercial Property Fund, the Investment Manager may increase the allocation of investments to the Fixed Income Fund, and reduce the allocation of investments to unlisted commercial property funds. Such measures will be made known to Investors in Investor Updates.

## **3.3 Borrowings**

The Fund does not intend to borrow. However, some of the funds that the Fund chooses to invest in may borrow.

## **3.4 Valuation Policy**

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

## 4. SIV INVESTMENT GUIDELINES

### 4.1 Introduction to Australia's Significant Investor Visa and Investor Visa programs

On 25 May 2012, the former Labor Government announced the introduction of the Significant Investor Visa (SIV), aimed at allowing Australia to compete effectively for high net worth individuals seeking investment immigration. In return for providing Australia with a new source of investment capital and increasing the pool of funds managed in Australia, successful applicants do not have to meet normal visa requirements such as a points test or upper age limit.

In July 2015, the Australian Government implemented major changes to the SIV program. One of the key changes was the introduction of a Complying Investment Framework (CIF), which stipulated three categories of complying investments, namely Venture Capital and Growth Private Equity Funds (VCPEF) investments, Emerging Companies Investments, and Balancing Investments.

The policy intent of these changes was to channel SIV monies into areas of the Australian economy which the Australian Government believed required more capital support, which would more effectively promote investment, innovation and commercialisation of Australian ideas, research and development.

In July 2021, the SIV program and the CIF were further revised. Among other changes, the mandated investment amount for VCPEF was increased and that for Balancing Investments reduced. At the same time, changes were also made to another visa category, the Investor Visa (IV), with the revised CIF introduced to the IV as well.

### 4.2 Immigration Program Overview

Both the SIV and IV are provisional Visas (Provisional SIV or Provisional IV) (Subclass 188). Investors who satisfy the conditions of the provisional Visas are eligible to apply for permanency residency in Australia (Permanent SIV or Permanent IV) (Subclass 888). To be granted a Provisional SIV or Provisional IV, a client must be nominated by an Australian state or territory. Each state or territory may have its own specific nomination requirements, including the types of investments that must be held. A nominated client will then be invited to make an application to the Department of Home Affairs. SIV holders will be able to extend their provisional visas if they do not meet the investment and residence thresholds in the required timeframe.

### 4.3 Provisional Visa Requirements (from 1 July 2021)

The table below sets out the key requirements of the Provisional SIV and Provisional IV.

Significant Investor Visa (Subclass 188)	Investor Visa (Subclass 188)
<ul style="list-style-type: none"><li>• Complying Investment of \$5 million (held for the duration of the provisional visa)</li><li>• Functional English (or pay 2nd VAC)</li><li>• Reside in Australia for an average of 40 days/year for primary visa holders or 180 days per/year for secondary visa holders before applying for the permanent visa</li><li>• Has access to an extension stream (for up to 4 years)</li><li>• Nominated by a State or Territory government, or Austrade</li></ul>	<ul style="list-style-type: none"><li>• Complying Investment of \$2.5 million (held for the duration of the provisional visa)</li><li>• 65 points on business innovation and investment points test</li><li>• Functional English (or pay 2nd VAC)</li><li>• Under 55 (unless waived by nominator)</li><li>• Reside in Australia for at least two years</li><li>• Nominated by a State or Territory government</li></ul>

The Provisional SIV and Provisional IV are valid for 5 years. Once the client has held a Provisional SIV or Provisional IV for at least 3 years, they can (if again nominated by a state or territory) apply for a Permanent SIV or Permanent IV, provided they have met all the eligibility requirements of the Permanent SIV or Permanent IV. Once granted a Permanent SIV or Permanent IV, the client is no longer required to hold complying investments, but must have a realistic commitment to maintain business or investment activities in Australia.

### 4.4 Provisional Visa Application Process

#### 4.4.1 Step 1 – Expression of Interest and Nomination

If you are interested in applying for a Provisional SIV or Provisional IV, you must submit an expression of interest (EOI) through SkillSelect. You also need to be nominated by a State or Territory Government to receive an invitation to lodge a visa application.

#### 4.4.2 Step 2 – Provisional Visa Application

Once the nomination application is accepted and the EOI is selected you will receive an invitation to lodge an application for the Provisional SIV or Provisional IV.

You then have 60 days to submit the visa application and supporting documentation to the Department of Home Affairs (DHA).

#### 4.4.3 Step 3 – Invest in Complying Investments

If your application is satisfactory, DHA will invite you in writing to make the complying SIV or IV investments. You must make the investment within the timeframe stated in the letter.

#### 4.4.4 Step 4 – Grant of Provisional SIV or Provisional IV

Once DHA is satisfied that your visa application meets all the relevant criteria, including that you have made the complying SIV or IV investments, you will be eligible to be granted a Provisional SIV or Provisional IV.

#### 4.4.5 Step 5 – Permanent Visa Application

The Provisional SIV or Provisional IV provides the opportunity to apply for a Permanent SIV or Permanent IV after three years of complying investment activity while holding a Provisional SIV or Provisional IV, provided you have met all the other eligibility requirements of the Permanent SIV or Permanent IV.

Once a Permanent SIV or Permanent IV has been granted, you do not need to maintain complying investments (however you must have a realistic commitment to maintain your business and investment activity in Australia) and are considered a permanent resident for the purpose of Australia's foreign investment laws.

### 4.5 What are the current investment guidelines?

The 'Complying Investment Framework' (CIF) stipulates three categories of complying investments, namely VCPEF, 'Emerging Companies Investments', and 'Balancing Investments'.

Significant Investor Visa applicants who were invited to apply for the Significant Investor Visa from 1 July 2015 to 30 June 2021 (Old SIV Regime) must invest at least \$0.5 million in VCPEFs, at least \$1.5 million in 'Emerging Companies Investments' and the balance of \$3 million in 'Balancing Investments'.

Significant Investor Visa applicants who were invited to apply for the Significant Investor Visa on or after 1 July 2021 (New SIV Regime) must invest at least \$1.0 million in VCPEFs, at least \$1.5 million in 'Emerging Companies Investments' and the balance of \$2.5 million in 'Balancing Investments'.

Investor Visa applicants who were invited to apply for the Investor Visa on or after 1 July 2021 (New IV Regime) must invest at least \$0.5 million in VCPEFs, at least \$0.75 million in 'Emerging Companies Investments' and the balance of \$1.25 million in 'Balancing Investments'.

### 4.6 What are the requirements for VCPEF investments?

A VCPEF is a form of investment that provides capital to typically new, innovative or fast-growing unlisted companies. They are governed by the Venture Capital Act 2002. In order to be an eligible VCPEF for SIV or IV purposes, the VCPEF must be registered under the Early Stage Venture Capital Limited Partnership (ESVCLP) or Venture Capital Limited Partnership (VCLP) programmes operated by the Australian Government's Department of Industry and Science.

Investments in VCPEFs require three elements of proof for SIV and IV applicants:

- Proof that funds are taken upfront by the fund vehicle (or held in escrow in a cash management trust or bank account as security)
- Proof of entering into a commitment with the VCPEF within 6 months from the date the provisional visa is granted, and
- Proof that a substantial part of the total amounts held for investment by the VCPEF have been invested during the period the SIV or IV is in effect.

### 4.7 What are the requirements for Emerging Companies Investments?

To be an eligible 'Emerging Companies Investment', the investment must be invested through one or more managed investment funds, the fund must maintain a minimum of 20 investee companies within 3 months of the fund's inception date and may be open or close ended managed funds or listed investment companies. The permitted investments for 'emerging companies' include:

- Securities in companies with a market cap of less than \$500 million at the time of first purchase. These securities can be in ASX listed companies or (subject to a limit of 20% of the fund's net assets) unlisted companies.
- Other Australian exchange listed companies (subject to a limit of 20% of the fund's net assets).
- Previously held shares in companies which have grown their market cap over \$500 million (subject to a limit of 30% of the fund's net assets).
- Derivatives for risk management purposes only.
- Cash (subject to a limit of 20% of the fund's net assets).

Additionally, the manager of the fund must have and maintain \$100m in firm wide funds under management.

### 4.8 What are the requirements for a Balancing Investment?

To be an eligible 'Balancing Investment', the investment must be invested through one or more managed investment funds. A Balancing Investment includes investments in:

- Companies, A-REITs, infrastructure trusts, including their ordinary equity, preferred equity, convertible bonds or corporate issued floating rate notes listed on an Australian securities exchange.
- Corporate bonds or notes issued by an Australian exchange listed entity (or wholly owned subsidiary of the Australian listed entity) or investment grade rated Australian corporate bonds or notes rated by an AFS licensed debt rating agency.
- Deferred annuities issued by Australian registered life companies but cannot commence paybacks during the provisional visa period.
- Real property in Australia (subject to restrictions around investing in residential real estate).

Balancing Investment funds may be open or closed ended managed funds or listed investment companies.

Additionally, the manager of the fund must have and maintain \$100m in firm wide funds under management.

### 4.9 Changes to investment rules

It is intended the Fund will be a complying investment under the New SIV Regime, the Old SIV Regime, and the New IV Regime. However, the investment amounts to be made into each of the three categories of investments under the 'Complying Investment Framework' will differ for each Investor, depending on when that Investor was invited to apply for the SIV or IV.

Any further changes to 'Complying Investment Framework' announced by the Australian Government will be adjusted and updated accordingly in this Offer.



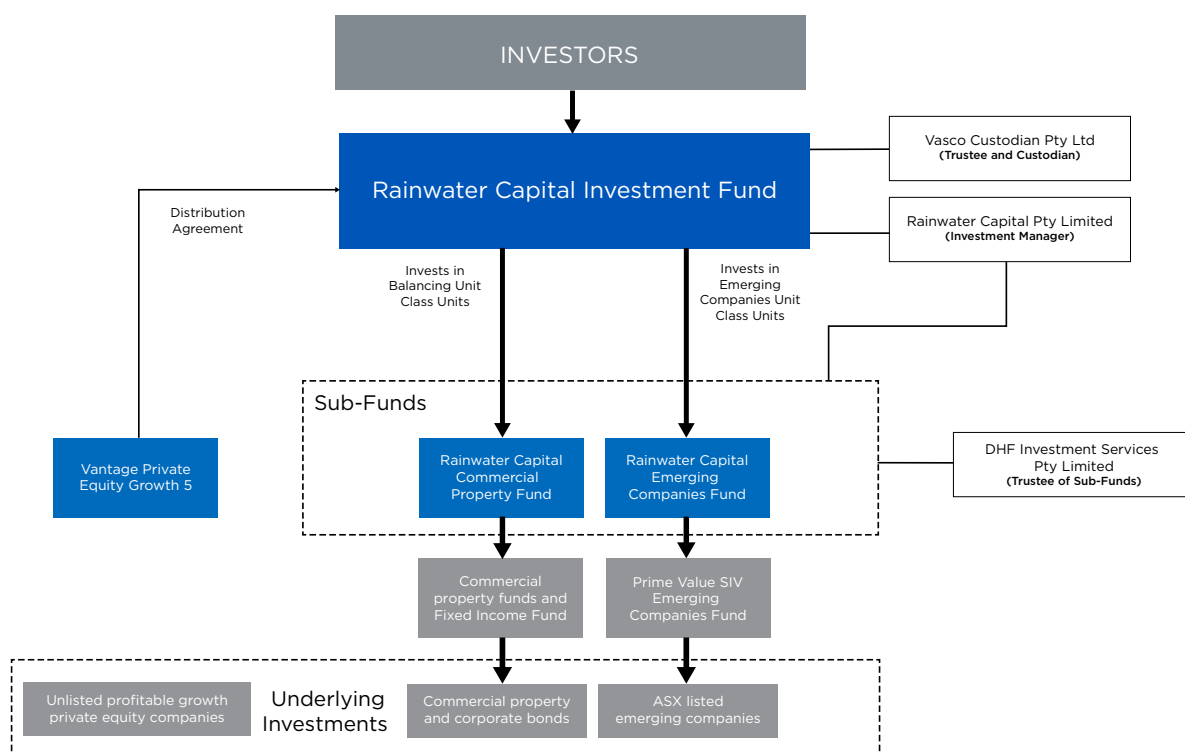
## 5. STRUCTURE OF THE FUND

### 5.1 Overview

The Fund structure is as follows:

- i) The Fund is a unit trust established under, and governed by, Australian law;
- ii) The Fund has two classes of Units, the Emerging Companies Unit Class and the Balancing Unit Class;
- iii) The Fund will be operated as an open-ended fund, meaning the Fund remains open to new Investors;
- iv) The Trustee and Custodian of the Fund is Vasco Custodians Pty (Vasco), an Australian company limited by shares. Vasco Custodians Pty Ltd is the holder of AFS licence no 530 682 and is regulated by ASIC; and
- v) The Trustee has appointed Rainwater Capital Pty Ltd as Investment Manager of the Fund. DHF Investment Services Pty Ltd as trustee of the Sub-Funds has also appointed Rainwater Capital Pty Ltd as Investment Manager of the Sub-Funds.

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



Investors will become Unitholders in the Fund and will subscribe for Units in the Fund in accordance with the terms of the Fund agreements, which set out the rights of Unitholders and rules for the establishment and operation of the Fund.

The Units acquired by Investors will be in two different classes:

- Rainwater Capital Emerging Companies Unit Class: funds subscribed for the Emerging Companies Unit Class will be invested in the Rainwater Capital Emerging Companies Fund and will only have a right to the income and capital received from the Fund's investment in the Rainwater Capital Emerging Companies Fund.
- Rainwater Capital Balancing Unit Class: funds subscribed for Balancing Unit Class will be invested in the Rainwater Capital Commercial Property Fund and will only have a right to the income and capital received from the Fund's investment in the Rainwater Capital Commercial Property Fund.

Unless Investors otherwise notify the Trustee on their Application Form, their total investment amount will be allocated as follows.

For Significant Investor Visa applicants who were invited to apply for the Significant Investor Visa from 1 July 2015 to 30 June 2021 (Old SIV Regime): \$500,000 will be allocated to VPEG5, \$1,500,000 will be invested in Emerging Companies Unit Class Units, and the balance of \$3,000,000 will be invested in Balancing Unit Class Units.

## 5. Structure of the Fund

For Significant Investor Visa applicants who were invited to apply for the Significant Investor Visa on or after 1 July 2021 (New SIV Regime): \$1,000,000 will be allocated to VPEG5, \$1,500,000 will be invested in Emerging Companies Unit Class Units, and the balance of \$2,500,000 will be invested in Balancing Unit Class Units.

For Investor Visa applicants who were invited to apply for the Investor Visa on or after 1 July 2021 (New IV Regime): \$500,000 will be allocated to VPEG5, \$750,000 will be invested in Emerging Companies Unit Class Units, and the balance of \$1,250,000 will be invested in Balancing Unit Class Units.

Any amount invested above the Minimum Investment will be invested in Balancing Units, unless otherwise directed by the Investor to the the Trustee in the Application Form. Investors may also choose to invest only in particular Unit classes.

Investors will not be able to withdraw their Units for four years from their date of issue. Once the four-year period has expired, it is expected that Investors will be able to redeem their investment by giving 60 days' notice, subject to available liquidity at that time. Because the only assets the Fund will hold are units in the underlying fund, the liquidity of the Fund will depend on the liquidity of the underlying fund, which in turn is dependent on the assets the underlying fund holds. More information about the investment strategies for each of the underlying fund appears later in this section.

At the expiry of the four-year period during which withdrawals are not permitted, Investors may submit a request to withdraw some or all of their Units from the Fund. The Trustee does not guarantee that the amount available for withdrawal will permit an Investor to withdraw any or all of their Units.

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

### 5.2 Qualifying Investors

This Offer is 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:
  - (i) 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
  - (ii) is a professional investor (including the holder of an Australian financial services licence, a person who controls more than \$10 million or a person that is a listed entity or a related body corporate of a listed entity); and
  - (iii) if residing in Singapore, can also demonstrate (in addition to one of the above) they are an accredited investor or certain other person prescribed under s305 of the Securities and Futures Act by providing a declaration to that effect and suitable documentary evidence.

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

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

### 5.3 Issue of Units

Units will be issued using the Unit Price calculated as at the last day of the month in which a completed Application Form and the Application Monies are received, and are issued at the start of the following month. Units are expected to be issued within 10 Business Days of the end of the month in which a completed Application Form and Application Monies are received.

Further detail about applying for Units in the Fund is outlined in section 12.

### 5.4 Unit Price

The Unit Price for the initial issue of Units in the Fund is \$1 per Unit.

At any other time, the Unit Price will be based on the underlying value of the Fund's assets and is calculated in accordance with the terms of the Trust Deed. The redemption price for a Unit is also based on the underlying value of the Fund's assets. This price may be different from the price originally paid for the Unit as the Fund's assets are re-valued.

Further detail about the Fund's valuation policy is outlined in section 3.4.

Where the Trustee is reliant on third party information to calculate the Unit Price this determination may be delayed until such time as the information is received.

Unit prices for the Emerging Companies Unit Class and the Balancing Unit Class will be updated on the Trustee's website from time to time.

The price that will apply to your application may be different from that on the website as the one that will apply will be the one calculated after you submit your application.

## 5.5 Redemptions

You will not be able to withdraw your investment in the Fund until after the fourth anniversary of the date on which your Units were first issued (and excluding the date of any reinvestment). Following this date, you may submit a withdrawal request to the Trustee setting out the number of Units you wish to withdraw from the Fund.

The Trustee does not guarantee that the amount of cash available in the Fund will be sufficient for an Investor to withdraw all of their investment.

The Trustee will use reasonable endeavours to satisfy valid withdrawal requests, however, it is not obliged to do so where there is sufficient cash available in the Fund or the Trustee considers it would be a material disadvantage to the Fund if some or all requests were met.

Withdrawal requests that can be satisfied will be done so within 60 days of receipt of requests.

Only the proceeds from realisation of assets of the Rainwater Capital Emerging Companies Fund will be used to satisfy withdrawal requests from Emerging Companies Unit Class Investors, and only the proceeds from realisation of assets of the Rainwater Capital Commercial Property Fund will be used to satisfy withdrawal requests from Balancing Unit Class Investors.

Where there is insufficient liquidity to satisfy all Withdrawal Requests, redemptions will be satisfied on a pro-rata basis until all Withdrawal Requests are satisfied.

Withdrawal Request Forms are available online at [www.vascofm.com](http://www.vascofm.com)

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 where it believes that doing so is in the best interests of Investors in the Fund as a whole.

Your ability to withdraw your VCPEF investment will depend upon the liquidity of the VCPEF and you should refer to the relevant disclosure document.

## 5.6 Distributions

Distributions are expected to be paid to Investors' nominated bank accounts annually within 60 business days following the end of each Half-Year and Financial Year.

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

Distributions to Investors will take into account the number of Units held by the Investor on the day each distribution is calculated.

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.

## 5.7 Reinvestment

Capital distributions paid by any VCPEF investments will be receipted into the Vasco Cash Enhanced Fund and then reinvested in the Balancing Unit Class.

All other distributions are expected to be paid to the Investors' nominated account.

## 5.8 Rainwater Capital Emerging Companies Unit Class

<b>Unit Class name</b>	Rainwater Capital Emerging Companies Unit Class (Emerging Companies Unit Class) which will invest in the Rainwater Capital Emerging Companies Fund.
<b>Sub-Fund Trustee</b>	DHF Investment Services Pty Ltd
<b>Sub-Fund Investment Manager</b>	Rainwater Capital Pty Ltd
<b>Administration Manager</b>	Vasco Fund Services Pty Limited.
<b>Investment Strategy</b>	<p>The strategy of the Rainwater Capital Emerging Companies Fund is to invest in an SIV and IV compliant emerging companies fund that meets the following criteria:</p> <ul style="list-style-type: none"> <li>• Comprised of securities, primarily companies listed on an Australian stock exchange with a market cap of less than \$500m at the time of first purchase by the fund;</li> <li>• Non-speculative - Focus on medium to long term growth;</li> <li>• Emphasis to be on capital preservation, with a reasonable target return that discourages excessive risk;</li> <li>• Use of derivatives for risk management purposes only.</li> </ul> <p>In line with the above strategy, the Rainwater Capital Emerging Companies Fund will invest in the Prime Value SIV Emerging Companies Fund (Prime Value Fund).</p> <p>The Rainwater Capital Emerging Companies Fund may also invest up to 20% of the fund's net assets in cash held by Australian ADIs.</p>
<b>Target Returns</b>	<p>The Investment Manager is aiming for an indicative total return (comprising capital growth and income) of approximately 8% per annum (after all fees and expenses).</p> <p>This is a target return only and not a forecast. There is no guarantee that the target return objective will be achieved.</p>
<b>Sub-Fund Fees</b>	<p><b>Trustee fees</b></p> <p>The trustee of the Rainwater Capital Emerging Companies Fund is entitled to an Annual Fee of \$10,000 .</p> <p><b>Administration Fee</b></p> <p>Vasco Fund Services Pty Limited is entitled to an Administration Fee of \$10,000 per annum. The Administration Fee is subject to an annual increase of 5% on 1 January of each year.</p> <p><b>Investment Manager fees</b></p> <p>The Investment Manager is entitled to a Management Fee of 1.5% per annum of the gross asset value of the Rainwater Capital Emerging Companies Fund.</p> <p>Prime Value charges a Management Fee of 1.5% per annum of the net asset value of the Prime Value Fund. Prime Value charges a Performance Fee that equals 30% of the amount (if any) by which the Prime Value Fund's investment performance (after fees) exceeds a return of 8% per annum.</p> <p>The management fee is calculated daily on the net asset value of the Fund and is accrued and paid monthly. The performance fee is calculated daily when positive, and if the accumulated accrual at the end of the half year is positive, is paid from the assets of the Fund.</p> <p><b>Other fees</b></p> <p>Other fees relating to the Rainwater Capital Emerging Companies Fund are detailed in Section 7.</p>



### 5.8.1 About Prime Value

Prime Value Asset Management is a multi-award winning, boutique Australian investment manager with an impressive history of building wealth with investors since 1998. Prime Value together with its sister company Shakespeare Property Group currently manages in excess of \$2.0 billion across four major asset classes including income securities, equities, property, and alternative assets.

As an independent investment house, Prime Value offers the benefits of a boutique organisation with the stability, security and resources of a much larger company. Over the 23-year history, the value-added investment approach, anchored on an enviable and strong risk management framework, has enabled the company to grow and consistently deliver attractive investment opportunities to its investors.

### 5.8.2 Key Features of the Prime Value Fund

- ✓ The Prime Value Fund is a SIV and IV compliant, Australian registered managed investment scheme, that invests in 'Emerging Companies Investments'.
- ✓ Stocks for the Prime Value Fund are selected from across the ASX that meet the SIV and IV compliance criteria, and have a market capitalisation of less than \$500m at the time of first purchase by the fund.

### 5.8.3 Investment Objective, Strategy and Security

- ✓ The investment objective of the Prime Value Fund is to invest in ASX listed emerging companies, in order to achieve superior total returns by providing medium to long term capital growth, with an emphasis on capital preservation.
- ✓ The Prime Value Fund is a long only concentrated Fund that leverages the research capacities of the Investment Manager, while minimising the risk of permanent capital loss.
- ✓ The strategy of Prime Value, as the Investment Manager, is to identify those small company shares that are believed to be selling below their intrinsic value. The Fund will invest in a portfolio of between 25-50 stocks, and hold the stocks as long positions. The portfolio is diversified with no security being purchased or held that exceeds 10% of the Fund's net assets.
- ✓ The Fund may use derivatives for risk management purposes.

## 5.9 Rainwater Capital Balancing Unit Class

<b>Unit Class name</b>	Rainwater Capital Balancing Unit Class (Balancing Unit Class), which will invest in the Rainwater Capital Commercial Property Fund.
<b>Sub-Fund Trustee</b>	DHF Investment Services Pty Ltd
<b>Sub-Fund Investment Manager</b>	Rainwater Capital Pty Ltd
<b>Administration Manager</b>	Vasco Fund Services Pty Limited
<b>Investment Strategy</b>	<p>The strategy of the Rainwater Capital Commercial Property Fund is to invest in one or more SIV and IV compliant unlisted commercial property funds that meet the following criteria.</p> <ul style="list-style-type: none"> <li>• Invest in industrial, office, retail or healthcare property sectors or adopt a diversified approach;</li> <li>• Have the potential to pay attractive distributions and exhibit the potential for capital growth;</li> <li>• Hold sizeable Assets under Management;</li> <li>• Hold assets well diversified in terms of location and tenant profile;</li> <li>• Hold assets that have a relatively long WALE;</li> <li>• Hold a good proportion of tenancies with locked in annual rent increases.</li> </ul> <p>The Rainwater Capital Commercial Property Fund may invest in unlisted commercial property funds that are involved in development projects as part of their investment portfolio, but will not invest in funds that are exclusively focused on development projects. As suitable unlisted commercial property fund investment opportunities are not always available, the Fund may invest in the Prime Value SIV Enhanced Income Fund (<b>Fixed Income Fund</b>), until such time as a suitable unlisted commercial property fund investment opportunity becomes available. Managed by Prime Value Asset Management, the Fixed Income Fund is a SIV and IV compliant fund that invests in corporate/bank bonds or notes.</p> <p>The Rainwater Capital Commercial Property Fund may also invest up to 20% of the fund's net assets in cash held by Australian ADIs.</p>
<b>Target Returns</b>	<p>The Investment Manager is aiming for an indicative total return (comprising capital growth and income) of approximately 6% per annum (after all fees and expenses) when the Fund is fully invested in unlisted commercial property funds.</p> <p>This is a target return only and not a forecast. There is no guarantee that the target return objective will be achieved.</p>
<b>Sub-Fund Fees</b>	<p><b>Trustee fees</b></p> <p>The trustee of the Rainwater Capital Commercial Property Fund is entitled to an Annual Fee of \$10,000</p> <p><b>Administration Fee</b></p> <p>Vasco Fund Services Pty Limited is entitled to an Administration Fee of \$10,000 per annum. The Administration Fee is subject to an annual increase of 5% on 1 January of each year.</p> <p><b>Investment Manager fees</b></p> <p>The Investment Manager is entitled to a Management Fee of 1.5% per annum of the gross asset value of the Rainwater Capital Commercial Property Fund.</p> <p>Prime Value charges a Management Fee of 0.60% per annum of the net asset value of the Fixed Income Fund.</p> <p>The management fee is calculated daily on the net asset value of the Fund and is accrued and paid monthly.</p> <p><b>Other fees</b></p> <p>Other fees relating to the Rainwater Capital Commercial Property Fund are detailed in Section 7.</p>

### 5.9.1 Investment Manager

The Investment Manager of the Rainwater Capital Commercial Property Fund is Rainwater Capital Pty Limited. For further details please see section 6.1.

### 5.9.2 Key Features of the Sub-Fund

- ✓ The Rainwater Capital Commercial Property Fund will invest in one or more SIV and IV compliant unlisted commercial property funds. Unlisted commercial property funds have the following features.
  - Unlisted commercial property funds have the potential to provide investors with returns in the form of capital gains and regular distribution income;
  - Unlisted commercial property funds are not listed on the ASX, and will be less exposed to share market risk and volatility;
  - Unlisted commercial property funds can be closed-ended or open-ended funds, and are generally less liquid than listed property funds;
  - Closed-ended funds are typically single asset funds and run for a fixed-term of five to seven years, and investors generally cannot redeem until the underlying property is sold, proceeds are distributed and the fund is wound up;
  - Open-ended funds typically have rolling investment terms of between three to five years, with a liquidity event at the end of each investment term. Some funds allow limited withdrawals on a quarterly or half-yearly basis;
  - While some unlisted commercial property funds are always opened to new investments, others are only open to new investments under certain conditions, such when they need to raise capital for new acquisitions of property.
- ✓ As suitable unlisted commercial property fund investment opportunities are not always available, to ensure compliance with SIV and IV regulations, the Fund may invest in the Fixed Income Fund, until such time as a suitable unlisted commercial property fund investment opportunity becomes available.
  - Managed by Prime Value Asset Management, the Fixed Income Fund is a SIV and IV compliant fund that invests in corporate/bank bonds or notes.
  - The fund aims to provide a regular income with capital stability and allows withdrawal on a daily basis.
- ✓ The fund may also invest up to 20% of the fund's net assets in cash held by Australian ADIs.

### 5.9.3 Investment Objective, Strategy and Security

The objective of the Rainwater Capital Commercial Property Fund is to preserve capital - avoiding excessive risk while providing a commensurate investment return to Investors. The Sub-Fund also seeks to ensure sufficient liquidity to allow Investors who wish to withdraw their investment in the Sub-Fund (after the fourth anniversary of their investment) to do so.

The Rainwater Capital Commercial Property Fund seeks to invest in one or more SIV and IV compliant unlisted commercial property funds that meet the following criteria.

- Invest in industrial, office, retail or healthcare property sectors or adopt a diversified approach;
- Have the potential to pay attractive distributions and exhibit the potential for capital growth;
- Hold sizeable Assets under Management;
- Hold assets well diversified in terms of location and tenant profile;
- Hold assets that have a relatively long WALE;
- Hold a good proportion of tenancies with locked in annual rent increases.

The Rainwater Capital Commercial Property Fund may invest in unlisted commercial property funds that are involved in development projects as part of their investment portfolio, but will not invest in funds that are exclusively focused on development projects. The investment criteria for these funds where some development is occurring will be different to the criteria for commercial property funds which are focused on leasing activity. In addition, a distribution payment to investors from funds that engage in development activity cannot be guaranteed.

The SIV and IV regulations require that a managed investment fund must be invested in complying investments at all times. As suitable unlisted commercial property fund investment opportunities are not always available, to ensure compliance with SIV and IV regulations, the Fund may invest in the Fixed Income Fund, until such time as a suitable unlisted commercial property fund investment opportunity become available.

## 5. Structure of the Fund

The Fixed Income Fund is a SIV and IV compliant fund that invests in corporate/bank bonds or notes. It may be comprised of the following investment categories.

- Cash (cash held in interest-bearing bank accounts, bank accepted bills of exchange, negotiable certificate of deposits, corporate promissory notes);
- Corporate/bank issued floating rate notes listed on an Australian securities exchange; and
- Corporate/bank bonds or notes issued by an Australian exchange listed entity (or wholly owned subsidiary of the Australian listed entity) or investment grade rated Australian corporate bonds or notes rated by an AFS licensed debt rating agency.

The Fixed Income Fund is not constrained by index weightings or sector limits, is not permitted to borrow, and can use derivatives for risk management purposes. The Fixed Income Fund may also invest in other managed funds that invest in accordance with these authorised investments and guidelines, including funds managed by Prime Value.

The Fixed Income Fund aims to provide a regular income with capital stability and allows withdrawal on a daily basis. As and when necessary, the Investment Manager will make withdrawals from the Fixed Income Fund and invest the proceeds in available unlisted commercial property fund investment opportunities that meet the Fund's investment criteria.

The Rainwater Capital Commercial Property Fund may also invest up to 20% of the fund's net assets in cash held by Australian ADIs.

The fund will look to provide ensure sufficient liquidity to allow Investors who wish to withdraw their investment in the fund (after the fourth anniversary of their investment) to do so, through one or more of the following strategies.

- ✓ Investing mainly in open ended unlisted commercial property funds with rolling investment terms, and as and when necessary, redeeming the Fund's investments during the liquidity event at the end of each investment term;
- ✓ Where an unlisted commercial property fund that the Fund invests in allows limited withdrawals on a quarterly or half-yearly basis, to make such withdrawals as and when necessary;
- ✓ Allocating sufficient assets to cash and to the Fixed Income Fund, in anticipation of any redemption requests.



## 5.10 Venture Capital or Private Equity Fund

<b>Fund name</b>	Vantage Private Equity Growth 5 ( <b>VPEG5</b> ) Additional funds may be offered in the future.
<b>Investment Manager</b>	Vantage Private Equity Management Partnership, LP, an authorised representative of Vantage Asset Management Pty Ltd ( <b>Vantage</b> ).
<b>Investment Strategy</b>	Investments in SIV and IV complying high performing growth private equity funds.
<b>Investment Manager Fee of VPEG5</b>	<p>The Investment Manager will receive the following fees:</p> <ul style="list-style-type: none"> <li>• Management Fee of 1.25% p.a. of the aggregate committed capital calculated daily and paid quarterly in advance.</li> <li>• Performance Fee of 10% above a 15% per annum net IRR hurdle payable only after investors have received the return of their invested capital and a net return of 15% per annum.</li> </ul> <p>Further details of the fees payable are detailed in the VPEG5 Information Memorandum available from the Trustee or Vantage.</p>
<b>Referral Fee</b>	Rainwater Capital Pty Ltd (Rainwater Capital) shall receive a referral fee from the Trustee of 2% of any funds invested in VPEG5 plus 0.5% per annum of funds invested for 4 years. This fee is payable to the Trustee by Vantage from the assets of VPEG5 and is then paid to Rainwater Capital by the Trustee.
<b>Investment Process</b>	<p>In completing the Application Form, Investors will be authorising the Trustee to hold their investment amount in escrow for investment in VPEG5, pursuant to an escrow agreement between the Trustee and Vantage. This amount will be invested in the Vasco Cash Enhanced Fund until called by Vantage for investment in VPEG5.</p> <p>The Application Form contains a power of attorney which will enable the Trustee to complete the relevant application forms for the Vasco Cash Enhanced Fund and, VPEG5 on your behalf.</p> <p>Your investment in VPEG5 does not form part of the Fund.</p>
<b>Investment Strategy</b>	<p>The Vasco Cash Enhanced Fund invests in bank deposits and term deposits with authorised banking institutions and floating rate notes listed on the ASX and in institutional funds with similar investment strategy.</p> <p>Details of the investment strategy for VPEG5 are set out below.</p>
<b>Disclosure documents</b>	The disclosure documents for both the Vasco Cash Enhanced Fund and VPEG5 are available by contacting the Trustee on +61 3 8352 7120. It is highly recommended that you read both disclosure documents in their entirety before investing in the Fund.

### 5.10.1 Investment Manager

Vantage Asset Management Pty Ltd, the general partner of Vantage Private Equity Management Partnership, LP, was established in 2004 and is a leading independent manager of private equity. Vantage develops and manages innovative and well-structured, institutional grade, private equity investment funds for Significant Investor Visa (SIV) and Investor Visa (IV) applicants, sophisticated investors and high net worth individuals.

As at 31 December 2020, the 25 Private Equity funds in which Vantage's Growth Private Equity Funds have commitments had subsequently invested in 132 underlying companies of which 56 had been exited or sold. Those exits have generated 2.5 times the original cost of the investment into those companies and delivered an average gross Internal Rate of Return to Vantage's Funds of 29.7%.

Vantage's current offering, Vantage Private Equity Growth 5 (VPEG5), is a SIV and IV complying, AusIndustry registered, Australian Fund of Funds and follows the same successful investment strategy into growth private equity, as its predecessor funds Vantage Private Equity Growth Limited (VPEG1), Vantage Private Equity Growth 2 (VPEG2), Vantage Private Equity Growth 3 (VPEG3) and Vantage Private Equity Growth 4 (VPEG4). VPEG5 is a fund of funds investment strategy ultimately managed by Vantage Asset Management Pty Ltd focused exclusively on lower to mid-market growth private equity.

### 5.10.2 Key Features of the Fund

- ✓ VPEG5 is an AusIndustry registered SIV and IV complying Australian Fund of Funds.
- ✓ The minimum investment in VPEG5 is \$500,000 for SIV applicants who were invited to apply for the SIV before 1 July 2021, \$1,000,000 for SIV applicants who were invited to apply for the SIV on or after 1 July 2021 and \$500,000 for IV applicants who were invited to apply for the IV on or after 1 July 2021.
- ✓ Vantage has engaged Vasco as the cash trust manager for VPEG5 application monies. An escrow agreement exists between Vasco as trustee of the Vasco Cash Enhanced Fund and VPEG5 to ensure all capital calls issued by VPEG5 are met.
- ✓ Once an application is received by VPEG5 and application monies are received by Vasco, a commitment with VPEG5 will exist.
- ✓ While your investment is held in the Vasco Cash Enhanced Fund, all distributions from the Vasco Cash Enhanced Fund will be reinvested.
- ✓ Distributions are paid by VPEG5 following receipt by each of the underlying private equity fund investments. Distributions paid by the VPEG5 will be receipted by the trustee of the Vasco Cash Enhanced Fund and then reinvested in the Balancing Unit Class until it can be released to the Investor in accordance with visa regulations.
- ✓ The businesses invested in by the funds selected by Vantage typically have a strong market position and generate strong cash flows allowing Vantage to generate strong consistent returns to investors.
- ✓ A key factor in Vantage's investment strategy is risk minimization. This is obtained by diversification of underlying investments across a range of parameters, including fund manager, geographic region and industry sector.

### 5.10.3 Investment Objective and Strategy

Investors in the Fund will be given an opportunity to invest directly in VPEG5. Your investment will be monitored by the Investment Manager who will report to you periodically on its performance.

Note: Your investment in VPEG5 or any other VCPEF will not be made via the Fund, but will be arranged for you separately in order to take advantage of the tax benefits available to investors in Australian venture capital funds.

### 5.10.4 Further Information

Further information on VPEG5 is available from the Vantage website at [www.vantageasset.com](http://www.vantageasset.com) or by calling +61 2 8211 0477.

## 6. MANAGEMENT OF THE FUND

### 6.1 The Investment Manager

*The Investment Manager has provided the below details regarding its background and management team, which has not been independently verified by the Trustee. Investors are advised to undertake their own due diligence prior to investing in the Fund.*

Rainwater Capital Pty Ltd (**Investment Manager**) is the Fund's investment manager. It is responsible for marketing the Fund and managing the Fund's investments. Rainwater Capital is a Melbourne based real estate advisory and funds management firm. It works closely with overseas clients to understand their investment requirements, and leverages on its extensive knowledge and networks in Australia to help these clients to access investment opportunities in Australia.

The management of Rainwater Capital has more than 20 years' experience across real estate investment, finance, and funds management spanning Singapore, China, and Australia. This Asia-Pacific exposure has equipped the firm with an intimate understanding of the region, while its Australian base has allowed it to stay on top of the market to discern sound and attractive investments here.

The firm's flagship Rainwater Capital Investment Fund seeks to provide SIV and IV Investors with a one-stop-solution to access investments that comply with the requirements of the Australian Federal Government's SIV and IV programs. The Fund comprises investments under the three categories of Emerging Companies Investments, Balancing Investments, and Venture capital and Growth Private Equity Funds (VCPEF) investments.

The Investment Manager is a corporate authorised representative (No. 001293280) of D H Flinders Pty Ltd AFSL: 353001.

The Investment Manager has provided the following description of its principal:

#### Wallace Woon, Managing Director

Originally from Singapore, Wallace started his investment career as an analyst in property developer Ascendas (now part of the CapitaLand Group), where he honed his fundamental research and financial modelling skills assessing a range of development and acquisition opportunities in the industrial and commercial property sectors. As an Investment Director in Keppel Land, Wallace spent six years in Beijing, where he was responsible for driving the company's land acquisition efforts in Beijing and overseeing other investments in North China. Since 2014, Wallace has been based in Australia, where he has been involved in various investment, funds management, and project management roles in the property industry. Trained in economics at Singapore's prestigious Nanyang Technological University and a CPA, Wallace is fluent in English and Mandarin Chinese.

### 6.2 The Trustees and Administration Manager

Vasco Custodians Pty Ltd (**Trustee**) and Vasco Fund Services Pty Limited (**Administration Manager**) are part of a corporate trustee group (**Vasco**) that provides responsible entity, trustee and fund administration services to Australian and international investment managers.

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

Some of the funds Vasco's executives have developed include the \$2.5 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 Vasco was responsible for establishing the real estate funds management businesses of Australian Unity Funds Management Limited and MacarthurCook Limited.

Clients of Vasco have included Golden Age Development Group, China Asset Management (HK), Infrastructure Partners Investment Fund, Vital Healthcare Property Fund, Phillip Asset Management Limited and Morgan Stanley Real Estate.

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

Vasco Fund Services Pty Limited is the Administration Manager of the Rainwater Capital Investment Fund.

The appointment of the Trustee and Administration Manager is subject to a minimum of a four-year term.

### 6.3 Trustee of the Sub-Funds

DHF Investment Services Pty Ltd is the trustee of the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund. Vasco Fund Services Pty Limited is the Administration Manager of the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund. The appointment of the trustee and Administration Manager is subject to a minimum of a four-year term.

## 7. FEES AND COSTS

### 7.1 Investor and fund fees and costs

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

Type	Amount	Paid to and when
<b>Account Fees</b>		
Fees and charges incurred directly by each Investor on entry and exit		
<b>Entry and Exit fee</b>	None	Not applicable
<b>Buy and sell spreads</b>	<p>There is no buy-sell spread for the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund. As of the date of this IM, the buy-sell spread of the underlying funds are:</p> <p>For the Prime Value Fund, the current buy/sell spread is +/- 0.40%.</p> <p>For the Fixed Income Fund, the current the buy/sell spread is +/-0.02%.</p> <p>More details of buy and sell spreads charged can be found in the disclosure statements published by the underlying funds.</p> <p>See Section 7.3 for more information</p>	Not applicable.
<b>Fund Fees</b>		
Fees and costs paid by the Fund		
<b>Investment Manager fees</b>	<p><b>Emerging Companies Investments</b></p> <p>The Investment Manager is entitled to a Management Fee of 1.5% per annum of the gross asset value of the Rainwater Capital Emerging Companies Fund.</p> <p>Prime Value charges a Management Fee of 1.5% per annum of the net asset value of the Prime Value Fund.</p> <p>Prime Value charges a performance fee that equals 30% of the amount (if any) by which the Prime Value Fund's investment performance (after fees) exceeds a return of 8% per annum.</p> <p>The management fee is calculated daily on the net asset value of the Fund and is accrued and paid monthly. The performance fee is calculated daily when positive, and if the accumulated accrual at the end of the half year is positive, is paid from the assets of the Fund.</p> <p>Further information on the fees of the Prime Value Fund can be found in the disclosure documents published by Prime Value Asset Management.</p> <p><b>Balancing Investments</b></p> <p>The Investment Manager is entitled to a Management Fee of 1.5% per annum of the gross asset value of the Rainwater Capital Commercial Property Fund.</p> <p>Prime Value charges a Management Fee of 0.60% per annum of the net asset value of the Fixed Income Fund.</p> <p>The management fee is calculated daily on the net asset value of the Fund and is accrued and paid monthly.</p> <p><b>Venture Capital or Private Equity Investments</b></p> <p>The Investment Manager does not earn any management fees for Venture Capital or Private Equity Investments but is paid a <b>Referral Fee</b> by the Trustee, which in turn receives a fee from Vantage.</p> <p>These fees are detailed in sections 5.8, 5.9, and 5.10.</p>	

Type	Amount	Paid to and when
<b>Referral Fees</b>	The Investment Manager may pay (out of the Rainwater Capital Emerging Companies Fund and/or the Rainwater Capital Commercial Property Fund) fees to advisers, sales agents, brokers, referrers or other persons who introduce investors to the Investment Manager for the purpose of investing in the Rainwater Capital Emerging Companies Fund and/or the Rainwater Capital Commercial Property Fund, provided that the fees (paid out of these funds) does not exceed the sum of 2.5% of the amount invested by the investors.	
<b>Trustee fees*</b>	The Trustee is entitled to an <b>Establishment Fee</b> of \$32,000.	This fee was paid to the Trustee on commencement of the Fund.
	The Trustee is entitled to an <b>Annual Fee</b> , equal to 0.10% per annum of the Fund's gross asset value, subject to a minimum annual fee of \$25,000.	Paid to the Trustee monthly in arrears from processing of the first Application to invest in the Fund.
	The Trustee is entitled to a <b>Document review and execution fee</b> of \$250 for the review and execution of transaction documents associated with each particular investment that the Fund makes.	Paid to the Trustee from the Fund's assets as and when incurred.
	<p>The Trustee is entitled to receive an <b>Annual Regulatory Levy Recovery Fee</b> of:</p> <ul style="list-style-type: none"> <li>• \$1,500; plus</li> <li>• \$75 per \$1 million of the Fund's gross asset value.</li> </ul> <p>This fee is subject to annual review and may change based upon costs incurred by the Trustee.</p>	Paid to the Trustee annually from the Fund's assets.
<b>Trustee Termination fees*</b>	The Trustee will be entitled to a <b>Termination Fee</b> where the Trustee is replaced or retires as trustee of the Fund of \$14,500.	Paid to the Trustee immediately prior to its retirement or replacement
<b>Sub-Fund trustee fees*</b>	The Sub-Fund trustee is entitled to an <b>Annual Fee</b> of \$10,000 in respect of each Sub-Fund.	Paid to the Sub-Fund trustee monthly in arrears from processing of the first Application to invest in the Sub-Fund.
<b>Administration fees</b>	<p>The Administration Manager is entitled to an <b>Administration Fee</b> of:</p> <ul style="list-style-type: none"> <li>• \$25,000 per annum where the Fund has gross assets of less than \$20 million and there are less than 25 Investors; or</li> <li>• \$35,000 per annum where the Fund has gross assets of \$20 million or more or there are 50 or more Investors; or</li> </ul> <p>The Administration Fee is subject to an annual increase of 5% on 1 January of each year.</p> <p>The Administration Manager's appointment is for a minimum term of 4 years.</p>	Paid to the Administration Manager monthly in arrears from the processing of the first Application to invest in the Fund.

Type	Amount	Paid to and when
<b>Sub-Fund Administration fees</b>	<p>The Administration Manager is entitled to an Administration Fee of \$10,000 per annum for each Sub-Fund.</p> <p>The Administration Fee is subject to an annual increase of 5% on 1 January of each year.</p>	Paid to the Administration Manager monthly in arrears from the processing of the first Application to invest in the Sub-Fund.
<b>Expenses*</b>	<p>The Trustee or relevant party appointed by the Trustee is entitled to be paid or reimbursed for expenses associated with establishing and the operation of the Fund.</p> <p><b>See Section 7.4 for more information.</b></p>	Paid to the Trustee or relevant party appointed by the Trustee as and when incurred

*\*Any fees and expenses outstanding for more than 60 days attract an interest charge of 10% per annum until paid.*

### 7.2 Payment of fund fees and costs

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

### 7.3 Buy and Sell Spread

Buy and sell spreads are calculated based on the actual or estimated costs the Fund may incur when buying or selling assets, such as stamp duty on a property purchase or brokerage fees on the sale of a business, or for acquisition expenses such as expenses associated with the raising of capital for the trust.

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

The buy spread is taken out of application amounts. The sell spread is taken out of withdrawal amounts.

The buy and sell spreads may be updated from time to time and will be published online at [www.vascofm.com](http://www.vascofm.com).

### 7.4 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 rights 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.

### 7.5 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.

### 7.6 Goods and services tax

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

### 7.7 Interest of application monies

Interest earned on application monies is retained by the Trustee.



### **7.8 Referral fees from third party fund managers**

The Investment Manager adopts the policy of not retaining referral fees, if any, paid to it by fund managers of the funds that the Fund invests in, and /or by the General Partner of VPEG5. Any referral fees received by the Investment Manager from these fund managers and /or the General Partner of VPEG5 may (at the absolute discretion of the Investment Manager) be paid to the referrers who refer investors to the Investment Manager for the purpose of investing in the Fund.

### **7.9 Waiver, deferral or rebate of fees**

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

## 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 investors should be aware of when investing in the Fund.

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

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

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

### 8.1 Risks applicable to all investments in the Fund

#### 8.1.1 SIV and IV risk

Investment in the Fund may not be considered a complying significant investment and accordingly the Department of Home Affairs may not grant a Permanent SIV or Permanent IV or revoke an Investor's Provisional SIV or Provisional IV. Alternatively, the SIV or IV requirements may change during the life of the Fund and investments may no longer be considered complying significant investments.

The Investment Manager has taken reasonable steps to ensure that it is making SIV and IV compliant investments. However, Investors should seek independent legal advice to ensure that an investment in the Fund is a complying significant investment.

#### 8.1.2 Investment risk

The value of an investment may rise or fall, distributions may or may not be paid and an Investor's capital may or may not be returned. No guarantee is made by the Trustee, the Investment Manager, nor any of their directors, associates or consultants on the performance of the Fund.

#### 8.1.3 Manager Risk

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

There is always a risk that the Trustee and Investment Manager may fail to identify and adequately manage the investment 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 when investing in projects. If the Investment Manager and/or its investment professionals were not to continue in their respective roles, the Fund may not be able to achieve its objectives.

#### 8.1.4 Third party manager risk

The Unit Classes may invest in certain other Australian managed investment schemes, which will be managed by third-party managers.

There is a risk a third-party manager or its investment strategy will not achieve its performance objectives or produce returns that compare favourably against its peers, which may result in lower returns or a capital loss for the relevant Unit Classes which has invested in that fund.

#### 8.1.5 Key personnel risk

The Trustee and Investment Manager both rely on a small number of professionals. In particular, Mr Craig Dunstan is a key individual of the Trustee, and Wallace Woon is a key individual of the Investment Manager, which is responsible for implementing the investment strategy of the Fund. If either of these parties or any other key personnel from the Trustee or the Investment Manager resigned, or were terminated, a suitable replacement may not be achieved within a reasonable time frame, and any replacement would be subject to similar risks.

### 8.1.6 Legal, regulatory and compliance risk

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

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

### 8.1.7 Liquidity risk

The Fund is an illiquid investment.

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

In particular, there will be no withdrawal rights during the first four years of investment. Furthermore, if a withdrawal request is submitted, only the proceeds from realisation of assets of the Rainwater Capital Emerging Companies Fund will be used to satisfy withdrawal requests from Emerging Companies Unit Class Investors, and only assets of the Rainwater Capital Commercial Property Fund will be used to satisfy withdrawal requests from Balancing Unit Class Investors. Those assets may be insufficient to satisfy withdrawal request in full or at all.

Investors must also note withdrawal requests do not need to be met if the Trustee considers it would be a material disadvantage to the Fund if some or all requests were met.

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

### 8.1.8 Information not complete or accurate

The Investment Manager 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. This information has not been audited or independently reviewed.

### 8.1.9 Tax risk

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

### 8.1.10 Value of unit risk

The value of a Unit may rise or fall. A fall in the value of the Fund's assets may result in a fall in the Unit price. Asset values are affected by a number of factors which may include supply and demand of competing property assets, interest rates, market sentiment, government policy, taxation and general market conditions.

### 8.1.11 Operating history

The Fund has a short operating history upon which Investors may base an evaluation of its likely performance.

The performance of the Balancing Unit Class will depend on the Investment Manager's ability to carry out the proposed investment strategy of the Rainwater Capital Commercial Property Fund successfully.

The performance of the Emerging Companies Unit Class will depend on the Investment Manager's ability to carry out the proposed investment strategy of the Rainwater Capital Emerging Companies Fund successfully.

### 8.1.12 Fees and expenses

The Fund will incur fees and expenses regardless of whether it is successful. The Fund will pay Investment Manager fees, Trustee fees and administration fees whether or not it receives its returns. In addition, the Fund will also be required to pay annual Investment Manager 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 the 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.

### 8.113 Currency risk

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

### 8.114 Thinly-capitalised management

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

### 8.115 Cyber Security risk

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 unauthorised 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.

### 8.116 Multi Class Risk

Multiple classes of units are on issue for the Fund. Such classes of units may be referable to a particular asset with liabilities arising in respect of the asset being quarantined within the referable unit class. Recent case law has cast some doubt over this referability. You should be aware that, although the Trustee will seek to segregate assets and liabilities attaching to the various investment options of the Fund, the Trustee has a right to an indemnity from the Fund assets as a whole. This means the Trustee may draw upon the assets of one Investment option to the exclusion of another (for example, where there are no assets attributable to another investment option) to pay the costs of operating the Fund. Such assets and liabilities may therefore not be quarantined to a specific unit class.

### 8.117 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. These risks may be exacerbated by social and health issues and any related Government restrictions or policies implemented in response to the pandemic.

### 8.118 Other risks

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

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

## 8.2 Risks applicable to Balancing Unit Class

Investment made by the Balancing Unit Class through the Rainwater Capital Commercial Property Fund will be SIV and IV compliant investments in (amongst other things) commercial real estate. The nature of the investment may be an equity position or other compliant structure. The Rainwater Capital Commercial Property Fund may also invest in the SIV and IV compliant Fixed Income Fund, which invests mainly in listed or unlisted Australian corporate/bank bonds or notes.

### 8.2.1 Diversification risk

The Rainwater Capital Commercial Property Fund will invest mainly in unlisted commercial property funds that invest in Australian commercial property assets, which may include office, industrial, retail, healthcare or diversified commercial properties. The Rainwater Capital Commercial Property Fund may also invest in the Fixed Income Fund, which invests mainly in Australian corporate/bank bonds or notes. As such, the Rainwater Capital Commercial Property Fund may not be adequately diversified by asset class or geography, and consequently the Rainwater Capital Balancing Units may be exposed to any events which have an adverse effect on the value of the underlying assets in the Australian commercial property markets or fixed income markets.

### 8.2.2 Underlying property risk

There may be external influences from time-to-time, including unforeseen items of expenditure which have not been budgeted for and loss of revenue, which adversely affect the value of underlying properties held by the unlisted commercial property funds which the Rainwater Capital Commercial Property Fund invests in. These may result in a reduction of distributions and returns as well as the capital value of the underlying properties held by these funds.

### 8.2.3 Property Market risk

Real estate valuations fluctuate and the value of real property is determined by market forces at any particular time. This may result in the value of the properties held by the unlisted commercial property funds in which the Rainwater Capital Commercial Property Fund invests, increasing or declining in value. There is also a risk that at the end of the investment term, the properties may not be able to be sold for its current valuation or there may be delays in selling the properties, due to property market conditions or other factors.

### 8.2.4 Fixed Income Market risk

The Fixed Income Fund which the Fund may invest in, may be invested in a range of instruments including cash held in interest-bearing bank accounts, cash-equivalent securities, bank term deposits, bank-accepted bills of exchange, both listed and unlisted senior bonds/ floating rate notes, subordinated debt and preference shares/hybrid securities. Risks associated with these investment formats involve risks associated with the market concerned, whether a listed market such as the ASX, or an unlisted market such as the fixed income market. Over time, markets rise but may also sometimes produce falls in the value of investments in the Fixed Income Fund. The market price of listed and unlisted investments in which the Fixed Income Fund will invest will be affected by numerous factors including changes in interest rates, credit ratings and market attitude to credit risk, exchange rates, inflation, market sentiment and the rate of growth of domestic and foreign economies.

### 8.2.5 Planning and development risk

The unlisted commercial property funds in which the Rainwater Capital Commercial Property Fund invests, may invest in development projects. There are numerous risks associated with such projects. For example, these funds could be exposed to adverse planning and building approvals and timing delays which could occur at any stage of the process, increasing the duration of projects and impacting negatively on cash flows. Approval may not be granted or granted on conditions these funds do not find acceptable. There is also a risk that contractors may default under the terms of a contract due to circumstances outside the control of these funds (for example, if a contractor becomes insolvent). This may in turn affect the value of the underlying property.

### 8.2.6 Environmental, Social and Governance risks

Land contamination, the presence of hazardous materials, asbestos or other contaminants may be found on the projects and have an adverse impact on the unlisted commercial property funds which the Rainwater Capital Commercial Property Fund invests in.

Furthermore, changes in environmental policy, ratings systems (e.g., NABERS) and other legislated environmental outcomes may adversely affect the projects of these funds. Additionally, changes in social norms, outcomes or expectations, including the governance of investments, may impact positively or negatively on the Fund.

### 8.2.7 Interest rate risk

Fluctuations in market interest rates may impact the investments of the unlisted commercial property funds and the Fixed Income Fund in which the Rainwater Capital Commercial Property Fund invests. For example, rising market interest rates may increase a variable loan borrower's interest costs, making it more difficult to make regular payments. Risk also arises with changes in market yields that change the value of interest rate investments. An increase in interest rates leads to a reduction in the value of a fixed interest investment and vice versa. This risk is usually greater for fixed interest investments that have longer maturities.

### 8.2.8 Return of Capital

The return of capital and the realisation of gains, if any, generally will occur only upon the partial or complete repayment of the investment. The Rainwater Capital Commercial Property Fund will invest mainly in open ended unlisted commercial property funds, which generally have rolling investment terms of between three to five years. While the Investment Manager will seek to manage the return of capital by investing across unlisted commercial property funds with staggered rolling investment terms, the return of capital may not occur until 4 to 5 years after the initial Investment. Before such time, there may be no capital return on the Balancing Investments made by Rainwater Capital Commercial Property Fund. Investors should also note that Fund operating expenses, including annual management fees, may exceed income from investments and therefore requiring the difference to be paid from the Fund's assets.

### 8.2.9 Valuation Risk

This is the risk that the valuation of the underlying properties of the unlisted commercial property funds in which the Rainwater Capital Commercial Property Fund invests is inaccurate at the time of making the investment so that the amount realised on sale of such properties is less than would have been expected had the valuation been correct. There is also the risk that a valuer who provides an inaccurate valuation does not have or no longer has adequate professional indemnity insurance to cover the valuation on which the lender relies. In the event that the valuations obtained by purchasers to secure finance are below the purchase price, this may adversely impact their ability to settle.

### 8.2.10 Conflicts of Interest Risks

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

## 8.3 Risks applicable to Emerging Companies Unit Class

### 8.3.1 Liquidity risk

Securities may lack liquidity because of insufficient trading activity and this may make it difficult or impossible for a trade to be executed within a favourable time frame. As a result, a potentially profitable trade may not be executed or it may not be possible to close out a position in a timely fashion leading to reduced profits and higher losses for the Prime Value Fund, the Rainwater Capital Emerging Companies Fund and consequently the Emerging Companies Unit Class.

### 8.3.2 Securities market risk

Changes in securities prices across the underlying relevant securities markets in which the Prime Value Fund is exposed to may adversely affect the performance of the Rainwater Capital Emerging Companies Fund and consequently the Emerging Companies Unit Class. Factors that drive changes in securities prices include changing profitability of companies and industries, economic cycles, volume of share issuance, investor demand levels, business confidence and government and central bank policies including the level and direction of interest rates and natural disasters and man-made disasters beyond the control of the relevant investment manager.

### 8.3.3 Company specific risk

Company specific risk is inherent in a particular stock's performance due to factors that are pertinent to that company. These factors will cause a stock's return to differ from that of the market. Actively managed funds look to gain exposure to this risk in order to attempt to outperform the market; however this exposure can also lead to underperformance.

### 8.3.4 Volatility risk

Volatility risk is the potential for the price of the Emerging Companies Unit Class investments to vary, sometimes markedly and over a short period of time.



Investments in equity securities are traditionally towards the higher end of the risk-return spectrum, and an investment in the Emerging Companies Unit Class should be considered a speculative investment. This may lead to fluctuations in the Unit price and/or amounts distributed to Investors, including fluctuation over the period between a redemption request being made and the time of redemption.

#### 8.3.5 Small cap securities risk

The securities of small cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than securities of larger capitalisation companies.

### 8.4 Risks applicable to VCPEF

The risks applicable to your VCPEF investment will be set out in the disclosure document for the VCPEF. You should consider that disclosure in detail prior to making an investment. A summary of some of the risks that may apply to a VCPEF investment is provided below.

#### 8.4.1 Deal flow

Vantage Asset Management Pty Ltd may not be able to identify and reach agreement with a sufficient number of suitable investee companies or unit trusts.

#### 8.4.2 Venture Capital investment risks

There are a number of risks that are specific to venture capital and early-stage investments:

- The inherent risks associated with investing in a company that has been recently established and does not have a long history of trading results;
- An investee company may suffer a loss of experienced staff;
- An investee company may not achieve market acceptance of its products and services;
- An investee company may be unable to scale its operations or manage its cash flows; and/or
- An investee company's customer database may reduce in quality and size.

Note that VPEG5 will not invest in venture capital investments but only into growth private equity opportunities.

#### 8.4.3 No Public Market Risk

There is generally no secondary public market for Partnership Interests held in VPEG5 other than that provided by the General Partner. Investors are also subject to restrictions on transferring, selling or otherwise disposing of their Partnership Interests under securities laws of various jurisdictions and the Partnership Deed. In the case where an Investor may seek to transfer their Partnership Interests but can't, the Investor may nevertheless be permitted to redeem some or all of their Partnership Interests in VPEG5 in accordance with the redemption procedures set out in the VPEG5 Information Memorandum and the Partnership Deed.

In certain circumstances, as detailed in Section 8, of the VPEG5 Information Memorandum there is a risk that the General Partner may be prevented from satisfying redemption at the time the Investor is seeking to dispose of their partnership interests.

#### 8.4.4 Asset Class Inherent Risk

Investment in private equity can be of a higher risk than traditional asset sectors, due to the illiquid nature of the asset class and some investments may fail which may result in a loss of some of investors' capital.

#### 8.4.5 Competition

Competing businesses including those with superior products or technologies may adversely affect an investee company which may have a material adverse effect on returns to Investors. The introduction of new competitors or a more aggressive competitive response from existing participants may affect the operating performance of an investee company. There is no assurance that an investee company will be able to compete successfully in its marketplace and any increase in competition could adversely affect the earnings of an investee company.

Additionally, the markets in which the Investee Companies operate may also carry risks. These risks include:

- The overall market perception of the industry sector in which the Investee Company operates;
- Developments in patents or other intellectual property of any Investee Company or its competitors; and
- Announcements of technical innovations by an Investee Company or its competitors.

## 9. TAXATION INFORMATION

The information in this section is of a general nature and is not, nor is it intended to be, tax advice, and cannot be relied upon as such.

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.

### 9.1 Tax File Number and Australian Business Number

It is not compulsory for an Investor to quote a Tax File Number (TFN), claim a valid exemption for providing a TFN, or (in certain circumstances) provide an Australian Business Number (ABN). However, if an Investor does not provide a TFN, exemption or ABN, tax will be required to be deducted from the Investor's distributions at the highest marginal tax rate plus Medicare levy and any other applicable Government charges (currently 47%).

### 9.2 Stamp Duty on the transfer of Units

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

### 9.3 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.

### 9.4 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).

### 9.5 Foreign Investment Review Board (FIRB)

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

The Australian Government has established, under the FTA, related regulations and foreign investment policy, investment thresholds for foreign persons. Generally, the effect of these is that the acquisition of any asset (including shares in a company, instruments convertible into shares in a company and direct Project equity) for a consideration of \$A 252 million or less and, in the case of shares in a company, for the acquisition of 20% or less of the fully-diluted issued capital of the company will be approved automatically on a notification-only basis. However, other requirements apply in respect of residential real estate, vacant land and shares or units in companies or unit trusts that have 50% or more of the value of their assets in Australian urban land. Other requirements also apply to the acquisition of interests in developed commercial real estate.

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

## 10. ADDITIONAL INFORMATION

### 10.1 Summary of important 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
4. Distribution Agreement
5. Escrow Agreement

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

#### 10.1.1 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.

The Trust Deed provides for the issue of different classes of Units. The terms of those classes are set out in the Trust Deed and the terms of issue for the relevant class of Unit. There will be two classes of Units on issue in the Fund; the Emerging Companies Unit Class which will only have rights to the income and capital of the Rainwater Capital Emerging Companies Fund, and the Balancing Unit Class which will only have rights to the income and capital of the Rainwater Capital Commercial Property 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; and
- The right to participate in the proceeds of winding up of the Fund.

The Trust Deed contains provisions about convening and conducting meetings of Investors.

The Trustee can amend the Trust Deed without the approval of Investors provided the Trustee reasonably considers the changes will not adversely affect your rights. The Trust Deed can also be amended by a special resolution passed by Investors.

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

#### 10.1.2 Investment Management Agreement

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

The Investment Management Agreement sets out the Investment Manager's obligations to the Trustee and to the Fund. The agreement also contains the fees payable to the Investment Manager for its 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 and Investment Manager to terminate if, for example, either party becomes insolvent.

#### 10.1.3 Administration Agreement

The Administration Agreement is between the Administration Manager, the Trustee and the trustee of the Sub-Funds, under which the Administration Manager provides fund administration and accounting services to the Fund and the Sub-Funds.

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

### 10.1.4 Distribution Agreement

Vantage Private Equity Management Partnerships, LP (ILP: L0000417A) (PE Manager) is the general partner and investment manager of VPEG5. It has appointed the Trustee as a distributor of VPEG5 pursuant to the terms of the Distribution Agreement.

Under the Distribution Agreement, the Trustee undertakes to market VPEG5 in return for the following fees:

1. An upfront fee equal to 2% of the amount of capital the Trustee sources for investment in VPEG5.
2. An annual fee equal to 0.5% of the capital subscribed to VPEG5 that was sourced by the Trustee, payable for four years.

### 10.1.5 Escrow Agreement

The PE Manager, each separate investor and the Trustee will enter an escrow agreement in respect of investors' monies to be invested into VPEG5. The Trustee is appointed to act as escrow agent to hold that amount in the Vasco Cash Enhanced Fund, which is a cash management trust. Holding funds in this way pending investment into a venture capital fund is a feature of the SIV and IV rules.

Under the agreement, the Trustee will hold the escrow amount on terms typical for an arrangement of this type. There are also usual indemnities and rights in favour of the Trustee as escrow agent, including an indemnity from the investors for all costs and expenses the escrow agent incurs in performing its duties under the agreement.

Any interest on the escrow amount will be reinvested.

## 10.2 Privacy

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

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

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

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

By applying to invest, you give the Trustee permission to pass information it holds about you to other companies which are involved in helping it administer the Fund, or where they require it for the purposes of compliance with AML/CTF law or in connection with the holding of Application Money. The Trustee may also use your information to provide you with details of future investment offers made by it or the Investment Manager.

## 10.3 Complaints handling

Applicants and Investors who wish to make a complaint about the Fund should contact the Trustee by telephone on +61 3 8352 7120, by email to [info@vascofm.com](mailto:info@vascofm.com), or in writing addressed to:

The Complaints Officer  
Vasco Custodians Pty Ltd  
Level 4, 99 William 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 in accordance with the Trustee's complaints handling process.

## 10.4 Anti-money laundering law

The Trustee is required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (AML/CTF Law). This means that the Trustee will require potential Investors to provide personal information and

documentation in relation to their identity when they invest in the Fund. The Trustee may need to obtain additional information and documentation from Investors to process applications or subsequent transactions or at other times during the period of the investment.

The Trustee may need to identify:

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

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

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

## 10.5 Transfer of Units

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

Under the 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.

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

## 10.6 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 have not withdrawn their consent prior to the date of this IM:

- D H Flinders Pty Ltd
- DHF Investment Services Pty Ltd
- Prime Value Asset Management Ltd
- Rainwater Capital Pty Ltd
- Vasco Fund Services Pty Limited
- Vantage Asset Management Pty Limited

## 11. DEFINITIONS

<b>Administration Manager</b>	Vasco Fund Services Pty Limited ACN 610 512 331.
<b>Application Form</b>	The application form for an investment in the Fund, accompanying this IM.
<b>Application Monies</b>	The monies paid by an applicant for Units in the Fund and where the context requires, includes the monies to be invested in VPEG5.
<b>ASIC</b>	The Australian Securities and Investments Commission.
<b>Balancing Investment</b>	A balancing investment in accordance with section 10 of the Instrument.
<b>Balancing Unit Class</b>	Rainwater Capital Balancing Unit Class, as a class of units issued in the Fund
<b>Balancing Unit Class Units</b>	Units in the class known as “Balancing Unit Class” issued subject to the Balancing Unit Class Unit Terms of Issue.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>Emerging Companies Investment</b>	An investment in emerging companies in accordance with section 9 of the Instrument.
<b>Emerging Companies Unit Class</b>	Rainwater Capital Emerging Companies Unit Class, as a class of units issued in the Fund.
<b>Emerging Companies Unit Class Units</b>	Units in the class known as “Emerging Companies Unit Class” issued subject to the Emerging Companies Unit Class Unit Terms of Issue.
<b>Fund</b>	The Rainwater Capital Investment Fund.
<b>Fund Agreements</b>	The Trust Deed and associated documents, whose provisions govern the Fund and set out the rights of unitholders and powers and duties of the Investment Manager, amongst other matters.
<b>IM</b>	This information memorandum issued to provide certain information about the Fund to potential Fund Investors in connection with their consideration of an investment in the Fund.
<b>Instrument</b>	Migration (IMMI 15/100: Complying Investments) Instrument 2015 as amended from time to time.
<b>Investment Manager</b>	Rainwater Capital Pty Ltd (ACN 652 938 791). The Investment Manager is a corporate authorised representative (No. 001293280) of DH Flinders Pty Ltd AFSL: 353001
<b>Investment Management Agreement</b>	The investment management agreement between the Trustee and the Investment Manager dated 4 October 2021.
<b>Investors</b>	The investors in the Fund.
<b>IV</b>	Investor Visa.
<b>Offer</b>	The invitation to subscribe for units in the Fund as set out in this IM.
<b>Permanent IV</b>	Business Innovation and Investment (Permanent) Subclass 888 visa, Investor stream.
<b>Permanent SIV</b>	Business Innovation and Investment (Permanent) Subclass 888 visa, Significant Investor stream.
<b>Prime Value Asset Management or Prime Value</b>	Prime Value Asset Management Ltd (AFSL 222 055), the responsible entity of the Prime Value SIV Emerging Companies Fund (Prime Value Fund) and the Prime Value SIV Enhanced Income Fund (Fixed Income Fund).
<b>Provisional IV</b>	Business Innovation and Investment (Provisional) Subclass 188 visa, Investor stream.
<b>Provisional SIV</b>	Business Innovation and Investment (Provisional) Subclass 188 visa, Significant Investor stream.
<b>Rainwater Capital or Investment Manager</b>	Rainwater Capital Pty Ltd (ACN 652 938 791).
<b>SIV</b>	Significant Investor Visa.
<b>Sub-Fund</b>	The Rainwater Capital Emerging Companies Fund or the Rainwater Capital Commercial Property Fund.
<b>Trust Deed</b>	The constitution for the Fund dated 4 October 2021, as amended from time to time.



<b>Trustee or Vasco</b>	Vasco Custodians Pty Ltd ACN 644 232 539
<b>Unit</b>	A unit in the Fund.
<b>Vantage Asset Management Pty Ltd</b>	Vantage Asset Management Pty Ltd (AFSL 279186), being the general partner of Vantage Private Equity Management partnership, LP, the investment manager of the VCPEF.
<b>VCPEF</b>	A venture capital or growth private equity investment in accordance with section 8 of the Instrument.
<b>VPEG5</b>	Vantage Private Equity Growth 5.

## 12. APPLICATION FOR UNITS

### 12.1 Applications 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:

**Rainwater Capital Investment Fund  
Vasco Fund Services Pty Limited  
Level 4, 99 William 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 investment amount applied for, the Application will be deemed to be for the lower amount received, subject to the minimum investment amount of the Fund.

The minimum investment amount for the Fund is \$5 million for SIV Investors and \$2.5 million for IV Investors; however, the monies to be invested in the Venture Capital and Growth Private Equity Funds (VCPEFs) will not be invested in the Fund but will be instead held on escrow for investment in VPEG5. Of the remaining monies invested in the Fund, the Trustee will allocate the \$1.5 million and \$0.75 million (for SIV and IV Investors respectively) in the Emerging Companies Unit Class and the remainder in the Balancing Unit Class.

For investors that are neither SIV Investors nor IV Investors, the minimum investment amount for each of the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund is \$500,000.

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

### 12.2 Power of attorney

The Application Form contains a power of attorney that permits Vasco to complete the application for investment in the Vasco Cash Enhanced Fund and VPEG5 on an applicant's behalf. This is an important document and Vasco will not be able to make your investment in the VCPEF if it does not receive the power of attorney properly completed and signed.

# Application Form

## Rainwater Capital Investment Fund



Use this application form if you wish to invest in:

### Rainwater Capital Investment Fund

The Information Memorandum dated 25 October 2021 (IM) for the Rainwater Capital Investment Fund (Fund) includes information about purchasing Units in the Fund. Any person who gives another person access to this Application Form must also give the person access to the IM and 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 (Vasco) ACN 652 938 791 AFSL 530682.

## 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](http://www.vascofm.com) or by calling our Investor Services team on +61 3 8352 7120.

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

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

## Important Information for Financial Advisers

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

If you are a financial adviser who has identified and verified the investor, by completing the Customer Identification Form together with Section 12 and the verification procedure and in consideration of Vasco accepting the investor's application:

- you agree to identify and verify the investor, using the relevant Customer Identification Form
- 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 Trustees Limited  
Level 4, 99 William Street  
Melbourne VIC 3000

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

## Checklist

Before sending us your application forms, please ensure you have:

- ☐ completed the Application Form in full;
- ☐ for new investments, completed the relevant 'Identity Verification Form' available on our website [www.vascofm.com](http://www.vascofm.com);
- ☐ if paying via EFT, transfer the funds to the Vasco Custodian bank account details listed in Section 6; or
- ☐ if paying via cheque, ensure cheque is made payable to 'Vasco Custodians Pty Ltd ATF Rainwater Capital Investment Fund' and attach it to this application form; and
- ☐ read the declaration and provided all relevant signatures and identification documents required for all signatories.

Is this a new investment or an additional investment?

☐ New investment ▶ Please proceed to section 2.

☐ Additional investment    ▶ Existing account name

Existing account number

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

☐ Individual investor – also complete ‘Customer Identification Form – Individuals and Sole traders’

☐ Joint investors – also complete ‘Customer Identification Form – Individuals and Sole traders’

☐ Sole Trader – also complete ‘Customer Identification Form – Individuals and Sole traders’

☐ Trust – also complete ‘Customer Identification Form – Superannuation Funds and trusts’

☐ Australian company – also complete ‘Customer Identification Form – Australian Companies’

☐ Other – contact our Investor Services team on 03 8352 7120 for other Customer Identification Forms

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

## Investor 1

[illegible][illegible]

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

Business name of sole trader (if applicable)

## Investor 2

[illegible][illegible]

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

## 3B. Trust/Australian company/other

[illegible]

## 3C. Account designation (if applicable)

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

[illegible][illegible]

Title (Mr/Mrs/Miss/Ms)

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

#### 4. Contact details

This is the address where all correspondence will be sent.

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.
- ☐ Cheque → make cheque payable to 'Vasco Custodians Pty Ltd ATF Rainwater Capital Investment Fund'.

Rainwater Capital Investment Fund	Initial investment
Total Investment Amount	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/>

The minimum investment amount for the Rainwater Capital Investment Fund is \$5,000,000 for SIV Investors and \$2,500,000 for IV Investors. The investment amount will be allocated according to Section 2 of the Information Memorandum. If you are not an SIV or IV Investor, and wish to only invest in either the Rainwater Capital Emerging Companies Fund or the Rainwater Capital Commercial Property Fund, please indicate which of the two funds you would like to invest in. The minimum investment amount for each of the Rainwater Capital Emerging Companies Fund and the Rainwater Capital Commercial Property Fund is \$500,000.

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

Vasco Fund Services Pty Limited  
Level 4, 99 William Street  
Melbourne VIC 3000 Australia  
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:  
Account Name: Vasco Custodians Pty Ltd ATF Rainwater Capital Investment Fund  
Bank: ANZ  
BSB: 013-006  
Account number: 8384-06522  
SWIFT Code: ANZBAU3M  
Please note the applicants name in the reference field when transferring the funds.

## 7. Annual report

☐ A copy of the annual report for the Fund will be provided on the Vasco website [www.vascofm.com](http://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. 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.**

[illegible]

## 9. Power of Attorney

By signing this Application Form, the investor:

- (a) irrevocably appoints Vasco as its agent and attorney to have the powers as agent and attorney in the name of the investor to complete and execute:
  - (i) any fund documents for VPEG5 or any or any other venture capital (VC) fund made available to you
  - (ii) any amendment of the VC fund documents
  - (iii) any Vasco Cash Enhanced Fund documents, and
  - (iv) any amendment of the Vasco Cash Enhanced Fund documents
- (b) 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;
- (c) fully indemnifies Vasco (and any replacement trustee of the Rainwater Capital Investment Fund) against all liabilities that Vasco (and any replacement trustee of the Rainwater Capital Investment Fund) may incur in connection with the exercise of any power under clause (a) above
- (d) releases Vasco (and any replacement trustee of the Rainwater Capital Investment Fund) from all liabilities that Vasco (and any replacement trustee) may otherwise have to the investor in connection with the exercise of any power under clause (a) above, and
- (e) authorises Vasco, as its agent and attorney, to appoint any other person as a sub agent or sub attorney to undertake any actions Vasco may undertake as its agent and attorney under clause (a) above.

This power of attorney is made under Part 2 of the Powers of Attorney Act 2014 (Act) and has effect as a deed.

Subject to the Act, without derogating from any limitation of Vasco's liability in this power of attorney, neither Vasco nor any replacement trustee has no liability of any nature whatsoever to the investor as principal beyond the assets of the Fund available to Vasco for the purpose of meeting a liability arising, directly or indirectly, from Vasco doing, or refraining from doing, any act (including the execution of any document), matter or thing pursuant to or in connection with this deed.

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

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

I/We declare that:

- all details in this Application and all documents provided are true and correct and I/we indemnify 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 constitution (each as amended from time to time);
- I/we have legal power to invest in accordance with this application and have complied with all applicable laws in making this application;
- I/we have received and accepted this invitation to subscribe for units in the Fund in Australia and represent 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 heading 'Privacy' contained in the IM. I am/We are aware that until I/we inform Vasco otherwise, I/we will be taken to have consented to all the uses of my/our personal information (including marketing) contained under that heading and I/we have consented to my/our financial adviser providing such further personal information to Vasco as is required or reasonably deemed necessary by Vasco under applicable law;
- I/we understand that if I/we fail to provide any information requested in this application form or do not agree to any of the possible use or disclosure of my/our information as detailed on the IM, my/our application may not be accepted by Vasco and we agree to release and indemnify Vasco in respect of any loss or liability arising from its inability to accept an application due to inadequate or incorrect details having been provided;
- I/we acknowledge that none of Vasco, or any other member of Vasco or any custodian or investment manager, guarantees the performance of the Fund or the repayment of capital or any particular rate of return or any distribution;
- I/we are bound by the Constitution and that an application for Units is binding and irrevocable;
- I/we have not relied on statements or representations made by anybody, other than those made in the IM;
- I/we agree and acknowledge no cooling off period applies and I/we have had the opportunity to seek independent professional advice on subscribing for Units;
- I/we agree and acknowledge Vasco is required to comply with the anti-money laundering laws in force in a number of jurisdictions (including the Financial Transactions Reports Act 1988 (Cth), 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 agree and acknowledge that property investment and development is risky and the estimates and forward looking statements included in the IM are subject to significant variation due to timing, terms of commercial agreements, timing of commercial agreements, approval turnaround, construction and/or refurbishment costs and other such risks, and as such may not prove to be correct.

I/We also warrant and acknowledge that:

- All information contained in my/our Application is true and correct;
- I/we are not a United States citizen or a resident of the United States for tax purposes nor am/are I/we subject to the reporting requirements of FATCA;
- I/we are not a Politically Exposed Person (PEP) as defined by the AML/CTF legislation;
- I/we warrant and represent to Vasco that I/we have undertaken my/our own due diligence in relation to an investment in the Fund, including (without limitation) in relation to the structure of the Fund and the likelihood of returns from the Fund;
- I/we hold the appropriate authorisations to become an Investor in the Fund and that offer cannot be revoked.



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

Refer to list of signatories on the next page of this application form.

## Investor 1 / Signatory 1

[illegible]

## Investor 2 (joint investors) / Signatory 2

Signature	<div style="border: 1px solid black; width: 480px; height: 60px;"></div>	Date	<div style="border: 1px solid black; width: 40px; height: 30px;"></div> <div style="border: 1px solid black; width: 40px; height: 30px;"></div> /	<div style="border: 1px solid black; width: 40px; height: 30px;"></div> <div style="border: 1px solid black; width: 40px; height: 30px;"></div> /	<div style="border: 1px solid black; width: 40px; height: 30px;"></div> <div style="border: 1px solid black; width: 40px; height: 30px;"></div> <div style="border: 1px solid black; width: 40px; height: 30px;"></div> <div style="border: 1px solid black; width: 40px; height: 30px;"></div>
Surname	<div style="border: 1px solid black; width: 100%; height: 30px;"></div>				
Given name(s)	<div style="border: 1px solid black; width: 100%; height: 30px;"></div>				
Capacity	<input type="checkbox"/> Director <input type="checkbox"/> Company Secretary <input type="checkbox"/> Trustee <input type="checkbox"/> Other <div style="border: 1px solid black; width: 100%; height: 30px;"></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 Information

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 nam	<div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div>
Surname	<div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div>
Given name(s)	<div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div>
Title (Mr/Mrs/Miss/Ms)	<div></div> <div></div> <div></div> <div></div>
Phone (business hours)	<div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div>
Adviser group e mail	<div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div>
Adviser group	<div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div>
Adviser group AFSL	<div></div> <div></div> <div></div> <div></div> <div></div> <div></div>

## Important notes

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

## Signatories

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

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

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

\*\* This is not required in some circumstances.



## SCHEDULE – OFFERING LEGENDS

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

### AUSTRALIA

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

This IM is not a prospectus nor product disclosure statement under the Corporations Act and is not required to be, and has not been, lodged with ASIC. To the extent that information in this IM constitutes financial product advice, it is general financial product advice only, is provided by the Investment Manager and does not consider the specific objectives, financial intentions or needs of any particular person. Each person considering subscribing for interests should read this IM in full before making a decision to acquire any interests. There is no cooling-off regime in Australia that applies in respect of the issue of the Units.

### SINGAPORE

The Fund is a restricted scheme as referred to in section 305 of the Securities and Futures Act and an application for registration will be submitted to the Monetary Authority of Singapore prior to any offer made to investors in Singapore. This IM has been prepared on the basis that prospective Investors from Singapore are accredited investors or certain other persons prescribed under section 305 of the Securities and Futures Act. Accordingly, this scheme is not authorised or recognised by the Monetary Authority of Singapore and Units in this scheme are not allowed to be offered to the retail public. Further, this IM is not a prospectus as defined in the Securities and Futures Act and, accordingly, statutory liability under the Securities and Futures Act in relation to the content of prospectuses does not apply, and the offeree should consider carefully whether the investment is suitable for them.

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## Trustee of the Rainwater Capital Commercial Property Fund and the Rainwater Capital Emerging companies Fund

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