

16 November 2021

Dear Investor

Zank Income Fund (ARSN 637 888 307)
Notice of Proposal to replace the Responsible Entity

Vasco Trustees Limited ACN 138 715 009, AFSL No. 344486 ('VTL') is the current responsible entity ('RE') of the Zank Income Fund ('Fund').

As noted in the Financial Report of the Fund recently sent to you, VTL would like to retire as the responsible entity of the Fund and appoint Vasco Responsible Entity Services Limited ('VRE') ACN 160 969 120, AFSL No. 434533 in its place. Both VTL and VRE are related parties and part of the Vasco Group of Companies ('Vasco Group'), which provides responsible entity, trustee and fund administration services to Australian and international fund managers.

The reasons for this proposed change and the procedure to be followed are outlined in the attached Notice.

VTL believes that the appointment of VRE as the responsible entity of the Fund is in the best interests of investors as it will lead to increased efficiencies and a streamlining of its compliance functions.

The Board of VRE is the same of that of VTL and both have a majority of independent directors sitting on the Board.

The proposed change of responsible entity will have **no impact** on the day-to-day business and activities of the Fund.

VTL recommends that you support the proposed change of responsible entity of the Fund.

If you have no objection to the proposed change, **you do not need to do anything.**

Yours sincerely

A handwritten signature in black ink, appearing to read "Craig Dunstan", with a long horizontal line extending to the right.

Craig Dunstan
Director

Notice to Unitholders

Corporations Act Requirements and Relief

Under section 601FL of the Corporations Act, if a responsible entity of a registered managed investment scheme decides that it wishes to retire, it must call a meeting of investors to explain its reasons for retirement and enable investors to vote on a resolution to choose the new responsible entity.

Vasco Trustees Limited ('VTL') considers that to call a meeting of investors to approve Vasco Responsible Entity Services Limited ('VRE') becoming the responsible entity would impose unnecessary costs, which would have to be paid out of the assets of the Fund.

VTL has obtained relief from the Australian Securities and Investments Commission ('ASIC') from the requirement to hold an investors' meeting. This relief was obtained on 20 October 2021. It is a condition of ASIC's relief that VTL must forward this notice to investors. The proposed change of responsible entity must occur no later than 20 January 2022.

Why are we proposing this change?

The Vasco Group, of which VTL and VRE are members of, has grown rapidly over the past five years. This growth has led to a review of its corporate structure and risk management framework.

Accordingly, the Group is looking to restructure its operations to separate retail fund activities from wholesale fund activities and also to separate fiduciary and non-fiduciary business activities. In the future, it is intended that VRE will serve as the responsible entity for the retail funds which the Vasco Group currently serves. The Vasco Group believes that the restructure of its operations will lead to increased efficiencies and a streamlining of its compliance functions.

VTL considers that the proposed change in responsible entity will be in the best interests of unitholders of the Fund as it will enable segregated, clear and distinct management, support services and governance oversight of its duties.

VTL believes that the proposed change will not create any adverse impacts to unitholders as the same key personnel, systems and resources will be used to continue to manage the Fund, as currently in place for VTL.

What else will change?

Nothing.

The current administration, management and compliance outcomes for the Fund will not change as a result of the change in responsible entity.

All of the systems, compliance and operational functions will remain the same.

The proposed change will not change the investment objectives or strategy of the Fund.

The transition period

The VRE consent to act as responsible entity is conditional upon the investors of the Fund approving the change of responsible entity. If the investors of the Fund do not request a postal vote or request a meeting be convened in accordance with the thresholds detailed below, VTL will lodge a notice with ASIC asking it to alter the record of the Fund's registration to name VRE as the responsible entity of the Fund.

If the unitholders of the Fund request a postal vote or request a meeting be convened in accordance with the thresholds detailed below and the result of the postal vote(s) or meeting(s) is to approve the change of responsible entity, VTL will lodge a notice with ASIC asking it to alter the record of the Fund's registration to name VRE as the responsible entity of the Fund.

If the unitholders of the Fund request a postal vote or request a meeting be convened in accordance with the thresholds detailed below and the result of one or both postal vote(s) or meeting(s) is to not approve the change of responsible entity, there will be no change of responsible entity in relation to the Fund.

If the change of responsible entity is approved by the Fund's investors, when the record is altered by ASIC, all of the rights, liabilities and obligations of VTL in relation to the Fund will become the rights, liabilities and obligations of VRE. The business and activities of the Fund will remain exactly the same as at present.

What do investors need to do?

If you have no objection to the proposed change, you do not need to do anything.

However, if you would like the proposed replacement of VTL by VRE to be put to a vote of investors, you should notify VTL in writing by 4:00pm AEDT on 8 December 2021. Every investor has the right to ask for a vote.

If:

- a) investors who together hold at least 5% of the total value of the interests held by investors; or
- b) at least 100 investors,

ask for a vote on the proposed change by giving written notice received by VTL by close of business on 8 December 2021, VTL will arrange a postal vote or convene a meeting to vote on the appointment of VRE.

If either a postal vote or a meeting of investors must be held, and if more than 50% of the votes cast by investors entitled to vote are cast in favour of the proposed replacement, VTL will be replaced by VRE as responsible entity of the Fund and VTL will lodge a notice with ASIC to effect the change of responsible entity. The cost of any Fund postal vote or meeting of investors will be paid for out of the assets of the Fund.

Under the terms of the ASIC relief, unless the necessary number of requests for a meeting referred to in this section have been received by the due date, VTL will lodge a notice with ASIC asking it to alter the record of the Fund's registration to name VRE as the Fund's appointed RE, requesting that the change of RE be effective on or around 10 December 2021.

However, if you would like to request a vote on the proposed change of responsible entity from VTL to VRE, please complete the attached form and post it to the following reply-paid address:

Vasco Trustees Limited
C/- Jamison Allcott
Reply Paid 91879
DARLING VIC 3145

Further information and enquiries

The proposed timing of the retirement of the RE and information on the manner of the retirement will be made available on the Vasco group website www.vascofm.com.au.

If the Proposal is implemented, a Supplementary Product Disclosure Statement, and information about any other changes, will be available on the website www.vascofm.com.au.

If you would like a printed copy of the website announcement, please contact us directly.

If you have any questions about the information contained in this Notice, other documents in the pack, or require any further information, please contact VTL.

Directory

Current Responsible Entity:

Vasco Trustees Limited
ABN 71 138 715 009
AFS License No. 344486
Level 4
99 William Street
Melbourne VIC 3000 Australia
T +613 8352 7120 F +613 8352 7199

E: info@vascofm.com

W: www.vascofm.com

Proposed Responsible Entity:

Vasco Responsible Entity Services Limited
ABN 20 160 969 120
AFS License No. 434533
Level 4
99 William Street
Melbourne VIC 3000 Australia
T +613 8352 7120 F +613 8352 7199

E: info@vascofm.com

W: www.vascofm.com

Request a Vote of Unitholders

If you have no objection to the proposed change, you do not need to complete this form.

Important: Only return this form if you want to vote on the proposed retirement of Vasco Trustees Limited as responsible entity of the Zank Income Fund and the proposed appointment of Vasco Responsible Entity Services Limited as responsible entity as detailed in this notice.



I request a vote of unitholders to appoint Vasco Responsible Entity Services Limited to be the new responsible entity of Zank Income Fund.

Unitholder Name:

Number of Units Held:

Signature of unitholder(s) or
authorized officers:

Date:

Please return form to:

**Vasco Trustees Limited
C/- Jamison Alliot
Reply Paid 91879
DARLING VIC 3145**

Notes:

- 1) If you wish to request a vote of unitholders in respect of your holdings in the Scheme(s), this FORM must be received at the above address by 4.00pm AEDT on 8 December 2021.
 - a) Where the unitholder is a corporation, this FORM must be executed by an attorney or under the hand of two directors or a director and secretary. If the company is a sole director company, the sole director must sign.
 - b) If an attorney signs on behalf of a unitholder, you must provide a certified copy of the power of attorney.