



AUSTRALIA CHINA
INVESTMENT FUND



Australia China Investment Fund Information Memorandum

17 April 2020

Trustee

Vasco Trustees Limited ACN 138 715 009

Investment Manager

Australia China Investment Fund Pty Ltd 607 032 655

Administration Manager

Vasco Fund Services Pty Limited ACN 610 512 331

Important Notice

This Information Memorandum (**IM**) is dated 17 April 2020.

This IM details the features, benefits, risks and general information about the Australia China Investment Fund (**Fund**).

The trustee for the Fund and issuer of this IM is Vasco Trustees Limited ACN 138 715 009, holder of AFS Licence number 344486 (**Trustee** or **Issuer**).

The Trustee has appointed Australia China Investment Fund Pty Ltd ACN 607 032 655 (**Investment Manager**) as the investment manager of the Fund.

The Investment Manager is a corporate authorised representative (No. 001234748) of D H Flinders Pty Ltd ACN 141 601 596 AFSL 353001.

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

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

Unit Classes

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

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

Glossary

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

Images

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

Updated information

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

Questions

Any questions regarding this IM should be directed to the Trustee on +61 3 8352 7120 or at info@vascofm.com or at Level 5, 488 Bourke Street, Melbourne, Victoria, 3000, Australia.

ASIC

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

Restrictions on distribution

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

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

Investor to undertake own due diligence

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

- all information which is relevant to the making of an investment in the Fund has been provided in this IM;

- all information provided under this IM is accurate or correct or does not contain misleading or deceptive statements.

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

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

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

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

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

Significant Investor Visa statement

The Fund is intended to be a 'complying investment' for the purposes of regulation 5.19B (2)(c) of the Migration Regulations 1994 (*Cth*). If an applicant is applying to become a Significant Investor Visa holder, then it is the responsibility of that applicant (and none of the Trustee,

the Investment Manager, or their related parties, officers, employees, consultants, advisers or

agents) to ensure that the applicant meets all of his or her obligations and requirements relating

to his or her application for, and grant of, a temporary or permanent Significant Investor Visa. An investment in the Fund does not entitle the investor to a Significant Investor Visa, and none of the Trustee, the Investment Manager, or their related parties, officers, employees,

consultants, advisers or agents makes any representation, warranty or guarantee that a successful application for investment in the Fund will lead to an investor obtaining a Significant Investor Visa, and accepts no liability whatsoever for any loss or damage arising from the applicant relying on an investment in the Fund as providing the applicant with a Significant Investor Visa.

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

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

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

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

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

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 7, 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.

Trustee Limitation of Liability

Except in certain circumstances (including fraud, negligence or default by the Trustee), the Trustee enters into transactions for the Fund in its capacity as trustee of the Fund only, not in its own capacity, and its liability in relation to those transactions is limited to the assets of the Fund.

Confidentiality

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

participate in the Fund, this IM, along with all related materials, must be returned to the Trustee immediately upon demand.

Summary of key documents only

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

Independent financial advice

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

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Letter to Investor

Dear Investor,

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

ACIF is an Australian based specialist fund manager of boutique funds designed to meet specific client requirements. ACIF is the investment manager of the Fund and is responsible for making investment decisions on behalf of the Fund.

The Australia China Investment Fund aims to generate an attractive income return through providing loans to residential and commercial property developers through direct property Project interests, and through providing loans to other Projects including infrastructure. Investments will be SIV compliant investments as the rules were in existence on 30 June 2015.

The Fund has an independent trustee, Vasco Trustees Limited (**Vasco or Trustee**). Vasco is part of an investment management group that provides responsible entity, trustee and fund administration services to Australian and international investment managers. The Vasco team have significant experience in the Asia Pacific region in the management of equity funds, fixed income funds, REITs, private equity real estate funds, real estate securities funds, and mortgage and real estate debt funds. Some of the funds Vasco's executives have developed include the \$1.5 billion Australian Unity Healthcare Property Trust 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 7 entitled "Risks") to allow you to make an informed decision before investing in the Fund.

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

Regards

John Wang
Managing Director
Australia China Investment Fund Pty Ltd

1. Key Features

The table below is a summary of the key features of an investment in the Australia China Investment Fund. It is not intended to be exhaustive. You must read the whole of this IM to obtain more detailed information before making a decision to invest in the Fund. Any fees and costs disclosed below are exclusive of GST unless otherwise stated.

Feature	Description	Further Details
Fund name	Australia China Investment Fund	-
Trustee	Vasco Trustees Limited (Vasco or Trustee)	5.2
Investment Manager	Australia China Investment Fund Pty Ltd	5.1
Administration Manager	Vasco Fund Services Pty Limited	5.2
Investment Structure	The Fund is an open-ended unlisted unregistered managed investment scheme structured as a unit trust. The Fund provides Investors with an opportunity to acquire Units in the Fund which entitle them to returns generated by the Fund.	3
Unit classes	The Trustee may issue different classes of units for different projects. The different unit classes may have different rights and obligations including the amount of any distribution.	-
Investment objective	The Fund aims to generate an attractive income return through providing loans to residential and commercial property developers through direct property Project interests, and through providing loans to other Projects including infrastructure. The Fund may make investments, via loans or other real estate and infrastructure related investments, with related parties of the Investment Manager.	2.4
Key Investment Guidelines	Investments will be SIV compliant investments as the rules were in existence on 30 June 2015. Investments will be predominantly in the real estate and infrastructure segments. Investments may be in the form of any of the following (or a combination of them): <ul style="list-style-type: none"> • Direct real estate investments; • Direct property Project interests; • Interests in listed and unlisted real estate funds; • Fixed income investments and cash deposits, and; • Infrastructure income investments. 	2.4
Target Fund Size	The Fund is targeting gross assets of \$50 million. As at the date of this IM, the Fund has over \$25 million in total gross assets. The target amount of equity to be raised from the issue of Units under this IM is \$25 million but the Trustee may determine a greater or lesser amount in its absolute discretion.	-
Target return	The Investment Manager is targeting a total return to Investors of 7.5% per annum (net of fees and expenses) over the term of the Fund. This return may be comprised of both income and capital returns. The target return is only a target and distributions of income are not guaranteed.	2.4

Issue of Units	Subject to the Administration Manager receiving valuation information from the Fund's underlying investments, and once the Unit Price has been calculated, Units will ordinarily be issued within 10 Business Days of the end of the month in which a completed Application Form and investment monies are received.	4.3
Minimum Investment Amount	<p>The Minimum Investment Amount is \$1 million subject to the Trustee's absolute discretion to accept applications for lesser amounts.</p> <p>If you are a new Investor to the Fund, then you may need to "switch" your existing pre-30 June 2015 complying SIV investment to an Investment in the Fund. A 30-day switching period applies to SIV investors who are withdrawing or cancelling their investment in a pre-30 June 2015 SIV compliance investment and reinvesting in another complying investment.</p>	-
Minimum Investment Term	The Minimum Investment Term is 4 years from issue of Units, or such lesser or greater time as the Trustee may determine in its absolute discretion.	-
Distributions	<p>Distributions of income (if any) are expected to be paid within 14 days of the end of each calendar quarter, subject to the Trustee's discretion to pay distributions sooner and depending on the speed at which the underlying investments in which the Fund invests pay their distributions and calculate their unit prices.</p> <p>It is generally expected that where distributions are calculated on the last Business Day of each financial year, investors should allow up to 60 Business Days after the date which distributions are calculated to pay distributions to investors.</p> <p>Whilst target returns are expected to be 7.5% per annum (after all fees and expenses), returns may vary from year to year and there is no guarantee that these returns will be obtained.</p> <p>Distributions will be calculated on a cents per unit day basis, meaning investors returns will be calculated based on each day they are invested in the Fund each calendar quarter.</p> <p>The Trustee may retain from amounts available for distribution such amounts as it considers necessary including for reserves, management fees, performance fees, taxes, and expenses of the Fund, which may result in no distributions being made despite surplus cash existing.</p> <p>Pending distribution to Investors, the Trustee may invest in cash and cash equivalents (i.e. acceptable bank deposits) or such other similar creditworthy and liquid investments as determined by the Trustee.</p>	4.6
Redemptions	<p>Due to the nature of the Fund's investments, you should consider an investment in the Fund as an illiquid investment.</p> <p>The Trustee does not guarantee that Investors will be able to withdraw from the Fund during the term of the Fund.</p> <p>Subject to available liquidity and the Trustee's discretion, Investors may be able to withdraw from the Fund after the Minimum Investment Term, being 4 years from issue of Units. After the Minimum Investment Term, a signed Withdrawal Request must be received by the Trustee before any withdrawal proceeds can be paid. It is expected that, subject to available liquidity, withdrawal requests will be met within 120 days of receipt of a valid request.</p> <p>Where there is insufficient liquidity to satisfy all Withdrawal Requests, investors redemptions will be satisfied on a pro-rata basis until all Withdrawal Requests are satisfied.</p> <p>Withdrawal Request Forms are available online at www.vascofm.com</p>	4.5
Qualifying Investors	The Offer is generally only available to persons who reside in Australia and are a wholesale client as defined in section 761G of the Corporations Act.	4.2

Entry and Exit fees	There are no entry or exit fees payable by Investors.	6.1
Trustee fee	<p>The Trustee received an Establishment Fee of \$14,500 which was paid at the time the Fund was established and is entitled to receive an ongoing annual fee for acting as trustee of the Fund.</p> <p>This annual fee will be equal to the greater of:</p> <ul style="list-style-type: none"> (a) \$25,000; or (b) 0.10% per annum of the gross asset value of the Fund. <p>This annual fee is payable monthly in arrears by the Investment Manager and is calculated by multiplying the amount of the Fund's gross asset value by 0.1% per annum, subject to a minimum annual fee.</p> <p>The Trustee is also entitled to a document review and execution fee of \$500 for the review and execution of documents associated with each particular investment that the Fund makes.</p> <p>All fees and expenses to which the Trustee is entitled to be paid shall be paid by the Investment Manager from the fees it receives. Only where the Investment Manager fails to pay the Trustee shall the Trustee be entitled to recover its fees from the Fund.</p>	6.1
Administration fees	<p>The Administration Manager is entitled to an Administration Fee of:</p> <ul style="list-style-type: none"> • \$15,000 per annum where the gross asset value of the Fund is less than \$10 million and there are less than 25 Investors; • \$20,000 per annum where the gross asset value of the Fund is greater than \$10 million but less than \$20 million or there are 25 or more Investors but less than 50 investors; or • \$25,000 per annum where the gross asset value of the Fund is greater than \$20 million or there are 50 or more Investors. <p>Plus:</p> <ul style="list-style-type: none"> • \$5,000 per annum for each additional non-segregated unit class and \$10,000 for each additional segregated unit class offered to Investors beyond the first. <p>The Administration fee is subject to an annual increase in line with increases in the Consumer Price Index.</p> <p>As at the date of this IM, the annual Administration fee is a fee of up to \$26,794.50 per annum for undertaking the administration of the Fund, including processing of applications, fund registry, fund accounting and attending to the lodgement of regulatory returns.</p> <p>All fees and expenses to which the Administration Manager is entitled to be paid shall be paid by the Investment Manager from the fees it receives. Only where the Investment Manager fails to pay the Administration Manager shall the Administration Manager be entitled to recover its fees from the Trustee, which shall be entitled to recover such expenses from the Fund.</p>	6.1

Investment Manager fees	<p>The Investment Manager is entitled to the following fees:</p> <ul style="list-style-type: none"> a Management Fee of 1% per annum of the Fund's gross asset value, which is calculated and paid to the Investment Manager monthly in arrears. a Performance Fee (inclusive of GST, net of RITC) of all of the Fund's income above the Target Return (being 7.5% per annum (net of fees and expenses) as at the date of this IM), which is payable to the Investment Manager quarterly in arrears. Any previous under-performance of the Fund will need to be recovered before any performance fee will be payable. <p>Further details regarding the fees payable to the Investment Manager are included in Section 6 of this IM.</p>	6.1
Expenses	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, 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.	6.2
Fund currency	Australian Dollars (AUD).	-
Currency hedging	The Fund will not be hedged.	2.10
Borrowings	The Fund will not have any borrowings.	2.9
Risks	It is very important that you read and consider the risk section in this IM (Section 7) in detail before deciding whether to invest. Neither the Trustee nor Investment Manager guarantee distributions or capital returns.	7

2. Executive Summary

2.1 Overview

The Fund was established in 2015 to allow Investors the opportunity to participate in an investment vehicle that will invest in a portfolio of active real estate and infrastructure related investments in the Australian market, comprised of pre-30 June 2015 SIV complying investments. The Fund currently has gross assets in excess of \$25 million and is targeting a further \$25 million of equity to be raised from the issue of Units under this IM.

There may be a time in the future that the Fund's portfolio of investments may cease to be comprised of pre-30 June 2015 SIV complying investments. This will only take place once there are no investors in the Fund that require compliance with these SIV requirements.

The Trustee has appointed the Investment Manager for the purposes of marketing the Fund to prospective Investors, completing due diligence on target investments and managing the investments of the Fund with a view to achieving returns for Investors. The Investment Manager brings extensive expertise to the management of the Fund.

2.2 Key Features of the Fund

The Fund offers Investors:

- i) an investment and a management team with a proven track record in financing, real estate investment management and funds management;
- ii) an opportunity to invest (indirectly) in real estate and infrastructure investment opportunities that may not otherwise be publicly available; and
- iii) a strategy to invest in real estate and infrastructure projects with significant growth potential as well as other real estate and infrastructure related opportunities such as the provision of loan funds.

2.3 Structure of the Fund

The Fund structure is as follows (also see Section 4):

- i) The Fund is an open-ended unlisted unregistered managed investment scheme structured as a unit trust, established under, and governed by, Australian law.
- ii) An investment strategy that is compliant with Australian SIV requirements (as these requirements were in existence at 30 June 2015).
- iii) The trustee of the Fund is Vasco Trustees Limited, an Australian company limited by shares. The Trustee is the holder of an AFSL and is regulated by ASIC. The Trustee is an experienced trustee and manager of wholesale unit trust schemes that invest in real estate and infrastructure assets.
- iv) The Trustee has appointed Australia China Investment Fund Pty Ltd, an experienced manager of real estate and infrastructure investments, as Investment Manager of the Fund.

2.4 Investment Objective and Strategy

The target rate of return for the Fund is 7.5% per annum (net of fees and expenses).

Returns will be generated via making loans or making other real estate and infrastructure related investments including:

- Direct equity investments into real property;
- Strategic investments in real estate Projects (which may include other real estate investment trusts and earn-ins to joint ventures);
- Mezzanine or other debt instruments secured by mortgages over real estate and where possible borrower guarantees;
- Strategic investments in infrastructure Projects (which may include investment trusts); and
- government bonds and bank deposits.

Investments may be made into real estate developments or infrastructure projects, or into existing properties that may require capital expenditure.

The Investment Manager has extensive real estate and infrastructure industry experience and has developed a network of contacts in the industries through which the Investment Manager expects to be able to access Investment opportunities that are suitable for the Fund.

The Fund may make investments, via loans or other real estate and infrastructure related investments, with related parties of the Investment Manager. It is not the responsibility of the Trustee to assess the merits of each investment recommended by the Investment Manager, but rather to review that each investment is contemplated by this IM and the Constitution. Accordingly, the Trustee does not guarantee that such transactions will be entered into on arm's length terms.

2.5 Investment Criteria

The Trustee intends to invest the Fund exclusively in SIV qualifying investments such as the following types of

The general investment criteria for the Fund will be as follows:

Investment size:	Individual investment outlays are expected to typically be in the range of A\$1 million to \$20 million.
Type of properties:	Investments in properties will be restricted to residential and commercial office property, investments in Projects that invest in residential and commercial office property or loans for real estate purposes. The Fund may also make secured loans to be used for property projects.
Type of infrastructure:	Investments in infrastructure Projects will be restricted to investments or loans into projects that require capital. The Fund may also make secured loans to be used for infrastructure projects.
Stage of development:	Investments may be at a project development phase or require capital expenditure to enhance their value.
Concentration limit:	No individual investment (at the time of the investment) is expected to exceed \$20 million.
Location of investment:	The Fund will only invest in assets located in Australia.

Exit: In general, the investment objective of the Fund will be to invest in properties/projects which will generate attractive returns and are attractive to potential purchasers.

2.6 Investment Process

The investment process that will be adopted by the Investment Manager in assessing and making Investments for the Fund will involve the following phases:

1. Investment origination & evaluation
2. Approval of investment proposal
3. Deal execution

Australia China Investment Fund Pty Ltd is an active manager and as such, the performance and progress of all Investments will be closely monitored and managed post acquisition.

The Investment Manager will work closely with the managers of the properties or Projects to provide strategic input and assistance where required, with a view to growing the value of each property or Project Investment.

2.7 Post-acquisition monitoring of investments

The Investment Manager will closely monitor the performance and progress of Investments on an ongoing basis. The basis of the ongoing, post-acquisition management will be the initial investment recommendation and forecast prepared for the initial Investment.

The Investment Manager will incorporate the results of the above ongoing monitoring in the annual reporting to Investors and in the ongoing valuation of each asset.

2.8 Exit strategy

The Investment Manager will seek to maximise the value of the Fund assets. It is expected that realisations will occur throughout the Fund's life. Investments may also be realised earlier in the Fund life if opportunities arise to realise Fund investments at an attractive price.

2.9 Borrowings

The Fund will not have any borrowings.

2.10 Currency hedging

The Fund will not be hedged.

2.11 Valuation Policy

The Trustee maintains and complies with a written valuation policy. This policy may be updated from time to time and is available on the Trustee's website at www.vascofm.com

3. The Investment Opportunity

PLEASE NOTE: The Investment Manager has provided the below summary of the investment opportunity. The sections below have not been independently verified by the Trustee, and Investors are advised to undertake their own due diligence prior to investing in the Fund.

3.1 Introduction

Via the Fund, the Investment Manager seeks to offer Investors the opportunity to earn attractive returns through exposure to the real estate and infrastructure sector utilising the experience, investment expertise and global network of the Investment Manager.

A key benefit of an investment in the Fund is the access to the management team that have the skills and experience to capitalise on opportunities in the real estate and infrastructure sectors. The team has:

- An extensive knowledge of real estate and infrastructure projects globally and the ability to critically assess and secure the best of these opportunities through creative and flexible deal structures; and
- A management team that consists of experienced professionals with a track record of delivering exceptional returns.

The current global economic expansion, particularly in Asia and other countries should provide significant interest amongst citizens of those countries in investment in the Australian real estate and infrastructure sector.

3.2 Australian Real Estate Market

With a total area of 7.69 million square kilometres, Australia is the world's largest island. The continent makes up 3700 kilometres from north to south and 4000 kilometres from east to west. Australia is the world's sixth largest nation by area.

Despite its large land area Australia is one of the most urbanised countries in the world with most of the population living in cities. In a survey of the world's most livable cities¹, Australia has a total of 3 cities that sit in the top 10. In 2019, Melbourne was ranked the world's second most livable city with Sydney in 3rd place, followed by Adelaide in 10th place.

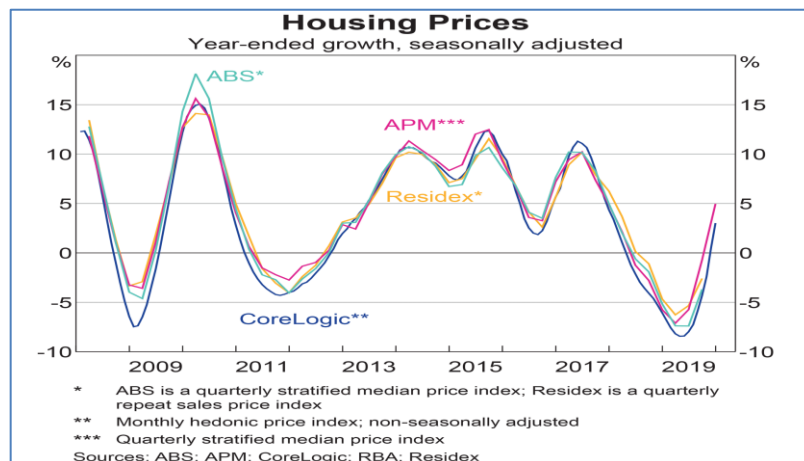
As at March 2020, Australia's current population is 25.6² million with a current annual population growth rate of 1.5%³.

With a strong economy and low interest rates and strong demand from international investors Australia's property market has been performing well in recent years.

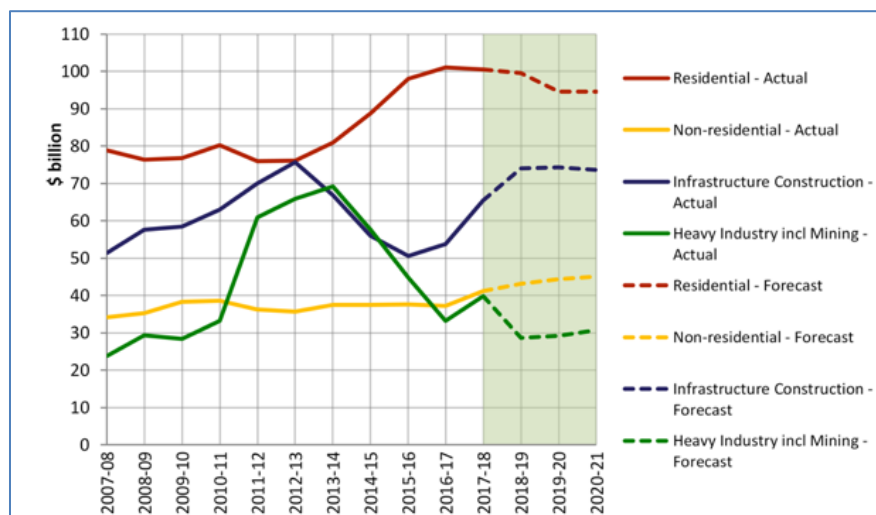
¹ Economist Intelligence Unit's Global Liveability Index

² Australian Bureau of Statistics 2/03/2020

³ Australian Bureau of Statistics 30/06/2019



The Investment Manager expects the roll out of major infrastructure projects in railways, roads, electricity, water and sewerage to continue. Meanwhile, construction work in heavy industry including mining will return to an underlying downtrend over the next two years⁴.



3.3 Current Portfolio

As of the date of this IM, the Fund has invested over \$5 million into a premium grade office tower located in the heart of the Adelaide CBD via the Westpac House Investment Trust 1.

Westpac House represents one of the few prime Adelaide CBD offices with contiguous floors available in 2020. There have been good enquiry levels in the Adelaide market for prime accommodation, and given the response, new tenancies have been secured late 2019 and continue in 2020.

A wide-ranging re-positioning of the asset is to be launched, including an upgrade to the lobby and plaza, and improvements to the low-rise floors. All capex efforts will be focused on reinforcing Westpac House as a premium institutional grade asset.

⁴ Australian Construction Industry Forum, December 2018

On a rate per square metre basis Westpac House still represents strong value. An uplift in value is anticipated after the repositioning is completed.

It is proposed that the Fund will shortly invest approximately \$20 million via a loan to ICAM ACIF Holdings Pty Ltd as trustee for the ICAM ACIF Holdings Trust (**Borrower**) to finance the further development and expansion of coastal land in Wallaroo, South Australia into a specialist bulk grain exporting port facility using transshipment technology (**Loan**).

The Loan will be secured over all of the assets of the ICAM ACIF Lucky Bay No 2 Trust, and a mortgage will be secured over the real property where the Wallaroo Port is being constructed. ICAM ACIF No 2 Pty Ltd ACN 633 316 882 as trustee of the ICAM ACIF Lucky Bay No 2 Trust ABN 24 804 487 839 and Inheritance Capital Asset Management Pty Ltd ACN 608 095 030 as trustee of the ICAM ACIF Land Trust ABN 81 637 861 711 are guaranteeing the obligations of the Borrower the Loan.

Further, under the Loan arrangements with the Borrower, the Fund has priority over any other loans made in respect of the construction of the Wallaroo Port.

ICAM ACIF Holdings Pty Ltd is a related party of the Investment Manager. The Trustee does not guarantee that this investment will be made on arm's length terms.

ICAM ACIF Holdings Pty Ltd as trustee for the ICAM ACIF Holdings Trust will use the funds received to make further investments into the development and construction of a second special purpose shallow water port in Wallaroo, South Australia (**Wallaroo Port**).

Given the geographical location of the Wallaroo Port, only 61 kilometres from its sister port Lucky Bay, there is the opportunity to utilise the same transshipment vessel between both ports increasing efficiencies while reducing costs.

While the Wallaroo Port is a completely independent port facility, it will utilise much of the same technology as used for the Lucky Bay Port.

The Wallaroo Port will provide for the bulk storage, handling and export of grain from the North, Mid North and Yorke Peninsula grain districts in South Australia.

Project development is expected to be completed in November 2020 with the Wallaroo Port commencing grain export operations in the 2020/21 grain harvest season. The Wallaroo Port is targeting circa 500,000 tonnes per annum of throughput from grain growers in the Yorke Peninsula over the next five years.

The Wallaroo Port will consist of bulk ground grain storage facilities in the Wallaroo district, a special purpose shallow water port that is accessed by a land and sea jetty that will provide the loading capabilities from port grain storage to the transshipment vessel.

The Wallaroo Port facility will also include incoming grain quality sampling and testing, truck delivery and consignment equipment that includes drop load ramps, and powered delivery of grain to and from the bunker area through the jetty infrastructure.

The Wallaroo Port will utilise the latest transshipping technology aimed at providing better cost and more efficient delivery of grain to main ship transport.

The first phase of the Project development has commenced with the port site land having been purchased and negotiations are well on the way to acquire the site for the bulk ground grain storage facilities.

Currently, the \$20 million set aside for this proposed investment is currently invested in a cash management account returning below the target return of the Fund. This proposed investment is expected to mature in 2-3 years. The Investment Manager expects that by investing into the special purpose shallow water port in Wallaroo, South Australia the target return will be achievable. The Investment Manager may expand this portfolio of investments as further suitable investment opportunities are identified.

4. Investment Structure

4.1 Investment Structure

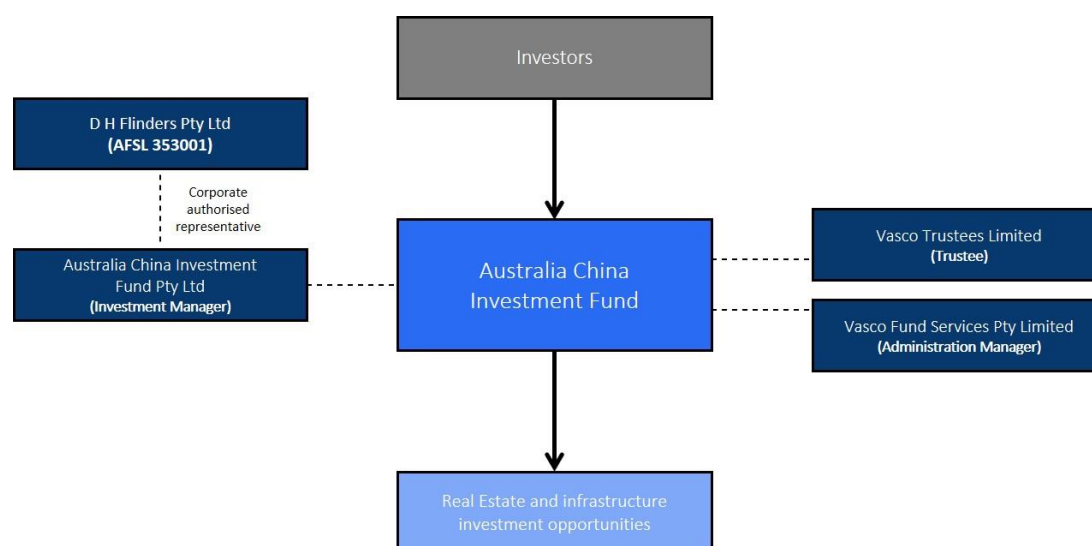
The Fund is an unlisted unregistered managed investment scheme structured as a unit trust and established by a Constitution dated 21 August 2015 which regulates the relationship between the Trustee and Investors.

The Trustee has appointed Australia China Investment Fund Pty Ltd as the Fund's Investment Manager, having responsibility for, among other things, marketing the Fund and managing the Fund's investments.

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

The monies contributed by Investors as Application Money will be pooled and invested in accordance with the Investment Strategy detailed in section 2.

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



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

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

4.2 Qualifying Investors

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

- invests \$500,000 or more in the Fund or
- if investing less than \$500,000:
 - provides a certificate from a qualified accountant (substantially in a form provided by and available from the Trustee) that states that the Investor has net assets of at least \$2.5 million or has a gross income for each of the last two financial years of at least \$250,000; or

- is a professional investor (including the holder of an Australian financial services licence, a person who controls more than \$10 million or a person that is a listed entity or a related body corporate of a listed entity).

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

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

4.3 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 and the investment amount are received and are issued at the start of the following month. Subject to the Administration Manager receiving valuation information from the Fund's underlying investments, and once the Unit Price has been calculated, Units are expected to be issued within 10 Business Days of the end of the month in which a completed Application and the investment amount are received.

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

4.4 Unit Price

The Unit Price is based on the underlying value of the Fund's assets and is calculated in accordance with the terms of the Constitution.

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 2.11.

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

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

4.5 Redemptions

Due to the nature of the Fund's investments, you should consider an investment in the Fund as an illiquid investment.

The Trustee does not guarantee that investors will be able to withdraw from the Fund during the term of the Fund.

Subject to available liquidity and the Trustee's discretion, Investors may be able to withdraw from the Fund after the Minimum Investment Term, being 4 years, or such lesser or greater time as the Trustee may determine in its absolute discretion. After the Minimum Investment Term, a signed Withdrawal Request must be received by the Trustee before any withdrawal proceeds can be paid. It is expected that, subject to available liquidity, withdrawal requests will be met within 120 days of receipt of a valid request.

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

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

4.6 Distributions

Distributions of income (if any) are expected to be paid within 14 days of the end of each calendar quarter, subject to the Trustee's discretion to pay distributions sooner and depending on the speed at which the underlying investments in which the Fund invests pay their distributions and calculate their Unit prices.

It is generally expected that where distributions are calculated on the last Business Day of each financial year, investors should allow up to 60 Business Days after the date which distributions are calculated to pay distributions to investors.

Whilst target returns are expected to be 7.5% per annum after all fees and expenses, returns may vary from year to year and there is no guarantee that these (or any) returns will be obtained.

Distributions will be calculated on a cents per Unit day basis, meaning investor returns will be calculated based on each day they are invested in the Fund each calendar quarter.

The Trustee may retain from amounts available for distribution such amounts as it considers necessary including for reserves, management fees, performance fees, taxes, and expenses of the Fund, which may result in no distributions being made despite surplus cash existing.

Pending distribution to Investors, the Trustee may invest in cash and cash equivalents (i.e. acceptable bank deposits) or such other similar creditworthy and liquid investments as determined by the Trustee.

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

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

4.7 Reinvestment

The Trustee, in its discretion, may decide to permit all or any distributions be applied to the acquisition of further Units in the Fund in accordance with the Constitution. In such cases, the Trustee will offset the amount of the Distribution payable to an Investor with the amount owing for the issue of new Units in the Fund, calculated on the first Business Day after the Distribution is paid at an Issue Price determined in accordance with the Constitution.

5. Management of the Fund

5.1 The Investment Manager

PLEASE NOTE: The Investment Manager has provided the below summary. The section below has not been independently verified by the Trustee, and Investors are advised to undertake their own due diligence prior to investing in the Fund.

Australia China Investment Manager Pty Ltd (**Investment Manager** or **ACIF**) is the Fund's investment manager, responsible for marketing the Fund and managing the Fund's investments.

The Investment Manager has been appointed as a corporate authorised representative of D H Flinders Pty Ltd (D H Flinders) for the sole purpose of acting as an investment manager of the Fund and is restricted to providing Financial Services that are authorised in the AFSL held by D H Flinders. Additionally, the Investment Manager and its employees and officers are subject to the policies of D H Flinders.

ACIF was formed to bring together a team with business and investment expertise and experience in both China and Australia for the benefit of Investors wanting to invest in Australia and take advantage of the Special Investment Visa program. All board members of ACIF are highly qualified and have considerable experience in a wide range of business and investment areas. In addition, the board has an extensive network of specialist advisers in the real estate and construction industries.

ACIF also acts as investment manager for the ACIF Prosperity Fund, Australia China Investment Fund, ACIF Balancing Fund, and ACIF Emerging Companies Fund.

The Investment Management team consists of:

- **John Wang**
Managing Director

John is the Managing Director of the Investment Manager and holds a Master of Laws from the University of Sydney and a Bachelor of Laws from Peking University.

John has over 32 years' experience in international investment, business and immigration services. With expertise in investment and law, John identifies business and investment opportunities for investors and migrants to Australia and assists overseas investors with their legal requirements.

- **James Forbes**
Managing Partner

James Forbes is a Managing Partner of Australia China Investment Fund Pty Ltd, and a Director and Board Member of ICAM Duxton No 1 Pty Ltd and ICAM ACIF No 2 Pty Ltd.

James has a wide range of experience in national engineering business both in Australia and China and is prominent in the product development and investment management space for Australian projects including infrastructure, property, agriculture, selective breeding of livestock and business acquisition.

He has a detailed understanding of effective investment strategies suited to China, with almost 20 years of experience in that space.

James currently chairs SCI Investments, Hunt Boilers, ME-001-11 Australian Standards Development Technical Committee, and is a Director of the Investment Manager; and is a member on a range of Investment Committees.

Various funds managed by Australia China Investment Fund Pty Ltd may invest in funds managed by ICAM Duxton No 1 Pty Ltd and ICAM ACIF No 2 Pty Ltd.

– **Kazmer Ujvari**
Director

Kazmer (Kaz) Ujvari is a Director of Australia China Investment Fund Pty Ltd. Kaz has a wide range of experience in law with a background in both business and commercial law, together with general compliance requirements. He has a detailed understanding of, and has provided advice to business owners on, a wide range of issues, including contracts, agreements and leases and immigration with a substantial client list from China.

Combining his expertise in law and migration, Kaz has assisted many migrants to obtain their Australian permanent residency as well as with navigating the legal requirements of their diverse Australian businesses.

Kaz currently provides advice on compliance matters and is a Director of the Investment Manager. He is also a member of a range of Investment Committees associated with various funds managed by Australia China Investment Fund Pty Ltd.

5.2 The Trustee and Administration Manager

Vasco Trustees Limited (**Trustee**) and Vasco Funds Services Pty Limited (**Administration Manager**) are part of an investment management and services group that provides responsible entity, trustee and fund administration to Australian and international investment managers.

The Administration Manager is entitled to receive an ongoing administration fee, as disclosed in section 6 of this IM. The Administration Manager is a related party of the Trustee.

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

Some of the funds Vasco's executives have developed include the \$1.5 billion Australian Unity Healthcare Property Trust ARSN 092 755 318 and the \$1.5 billion AIMS Industrial REIT listed on the Singapore Securities Exchange.

The directors of Vasco were responsible for establishing the real estate funds management businesses of Australian Unity Funds Management Limited and MacarthurCook Limited.

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

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

6. Fees and Costs

6.1 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	How and when paid
Investor Fees Fees and charges incurred directly by each Investor on entry and exit		
Entry and Exit fees	None	Not applicable
Fund Fees Fees and costs paid by the Fund		
Investment Management fees	The Investment Manager is entitled to a Management Fee of 1% per annum of the Fund's gross asset value. Where in any quarter the return to Investors is less than 7.5% per annum (net of fees and expenses), the Investment Manager will waive in whole or part its Management Fee for the following quarter, so as to make up some, or the entire, shortfall in return to Investors in the previous quarter.	Calculated and paid to the Investment Manager from the Fund's assets monthly in arrears.
	The Investment Manager will be entitled to a Performance Fee (inclusive of GST, net of RITC) of all income above the Target Return (being 7.5% per annum (net of fees and expenses) as at the date of this IM). Any previous under-performance of the Fund must be recovered before any Performance Fee will be payable.	Paid to the Investment Manager from the Fund's assets quarterly in arrears.
Trustee fees**	The Trustee was entitled to a once off Establishment Fee of \$14,500.	The Establishment Fee was paid to the Trustee on commencement of the Fund, being 21 August 2015.
	The Trustee is entitled to an ongoing Annual Fee for acting as trustee of the Fund. This annual fee is equal to the greater of: <ul style="list-style-type: none"> \$25,000; or 0.10% per annum of the gross asset value of the Fund. 	Paid monthly in arrears by the Investment Manager.

Type	Amount	How and when paid
	<p>The Trustee is also entitled to a Document review and execution fee of \$500 for the review and execution of documents associated with each particular investment that the Fund makes.</p> <p>If there are multiple documents for an acquisition (acquisition agreement, borrowing agreement etc.) only one fee is paid.</p>	Paid to the Trustee from the Fund's assets as and when incurred.
Administration fee**	<p>The Administration Manager is entitled to an Administration Fee of:</p> <ul style="list-style-type: none"> \$15,000 per annum where the gross asset value of the Fund is less than \$10 million and there are less than 25 Investors; \$20,000 per annum where the gross asset value of the Fund is greater than \$10 million but less than \$20 million or there are 25 or more Investors but less than 50 investors; or \$25,000 per annum where the gross asset value of the Fund is greater than \$20 million or there are 50 or more Investors. <p>Plus:</p> <ul style="list-style-type: none"> \$5,000 per annum for each additional non-segregated unit class and \$10,000 for each additional segregated unit class offered to Investors beyond the first. <p>This annual Administration fee is subject to an annual increase in line with increases in the Consumer Price Index.</p> <p>As at the date of this IM, the annual Administration fee is a fee of up to \$26,794.50 per annum for undertaking the administration of the Fund, including processing of applications, fund registry, fund accounting and attending to the lodgement of regulatory returns.</p>	Paid monthly in arrears by the Investment Manager to the Administration Manager from the date of first issue of Units in the Fund.
Expenses**	<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>See Section 6.2 for more information.</p>	Paid to the Trustee or relevant party appointed by the Trustee as and when incurred.

**All Fund fees and expenses (other than the Investment Management fees) shall be paid by the Investment Manager from the fees it receives. Only where the Investment Manager fails to pay Fund fees and expenses shall these amounts be paid out of the Fund's assets. If Fund fees and expenses are recovered from the Fund, then as noted above, the Investment Manager may waive some or all of its Investment Management Fees to make up some or all of the amount that has been recovered from the Fund.

6.2 Other investment management fees

The Investment Manager may also earn fees in respect of each transaction that the Fund enters into. Such fees will be negotiated with and paid directly by a borrower or such other entity. These fees may include loan arrangement fees, line fees and default management fees.

6.3 Expenses

The Trustee is entitled to be paid or reimbursed for expenses associated with establishing and the operation of the Fund, such as the costs associated with promoting the Fund (such as the costs associated with this Information Memorandum), acquiring, insuring and disposing of assets, the 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.

The Investment Manager is also entitled to be paid or reimbursed for expenses associated with and properly incurred in connection with performing its investment management duties pursuant to the Investment Management Agreement.

6.4 Changes 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 Constitution. The Trustee may agree with any Investor any fee arrangements with that Investor which are different to the fees set out above.

6.5 Goods and services tax

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

6.6 Waiver, deferral or rebate of fees

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

7. Risks

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

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.

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

Some of the key risks identified by the Trustee are as follows:

7.1 Information not complete or accurate

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

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

7.2 Fund Risk

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

7.3 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 and management 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 and the Investment 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 Trustee and its investment professionals to achieve the Fund's objectives. If the Trustee and/or its investment professionals do not continue in their respective roles, the Fund may not be able to achieve its objectives.

7.4 Significant investor visa risk

Investment in the Fund may not be considered a complying significant investment and accordingly the Department of Border Protection and Immigration may not grant a Permanent Significant Investor Visa or revoke an Investor's Provisional Significant Investor Visa. Alternatively, the Significant Investor Visa 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 Significant Investor Visa compliant investments. However, Investors should seek independent legal advice to ensure that an investment in the Fund is a complying significant investment.

7.5 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.

7.6 Return Risk

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

The Fund may not be successful in meeting this objective and returns are not guaranteed.

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

7.7 Performance Fee Risk

Subject to the performance of the Fund, the Investment Manager may be entitled to receive a performance fee. The performance fee may create an incentive for the Investment Manager to make investments that are riskier or more speculative than would be the case in the absence of a fee based on the performance of the Fund.

7.8 Related Party Transactions

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

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

The Investment Manager is not a related party of the Trustee. The contractual arrangements between the Trustee and the Investment Manager are negotiated at arm's length between the parties.

Various funds managed by Australia China Investment Fund Pty Ltd may invest in funds managed by ICAM Duxton No 1 Pty Ltd and ICAM ACIF No 2 Pty Ltd. James Forbes is a director of Australia China Investment Fund Pty Ltd, ICAM Duxton No 1 Pty Ltd and ICAM ACIF No 2 Pty Ltd.

It is not the responsibility of the Trustee to assess the merits of each investment recommended by the Investment Manager, but rather to review that each investment is contemplated by this IM and the Constitution. Accordingly, the Trustee does not guarantee that such transactions will be entered into on arm's length terms.

7.9 Income Risk

There is also a risk that investing in the Fund may give different results than investing individually because of income and capital gains accrued.

7.10 Diversification Risk

The Investments will be exclusively in the real estate and/or infrastructure sectors and the Fund is likely to make a limited number of investments or perhaps only a single investment. As such, the Fund will not be diversified by sector or number of investments and the Fund will be exposed to any events which have an adverse effect on the value of assets in the real estate and/or infrastructure sector.

7.11 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 and it is unlikely that any active secondary market will develop. There are substantial restrictions upon the transferability of units under the Constitution and applicable securities laws.

You should only consider an investment in this Fund if you are not likely to require access to your investment for the Investment Term (noting that the Investment Term could be extended by the Trustee).

7.12 Tax Risk

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

7.13 General Investment Risks

The returns from investments in property, property trusts and infrastructure financing are affected by a range of economic factors, including changes in interest rates, exchange rates, inflation, general share and property market conditions, government policy (including monetary and taxation policy and other laws), fluctuations in general market prices for property, shares, bonds and other tradeable investments and the general state of the domestic and world economies.

The value of units can fall as well as rise due to circumstances affecting the economy generally, or to other factors which may affect the value of the properties in which the Fund may invest.

There may be increases in supply or falls in demand in any property market sector or geographic region. Therefore, there is no guarantee that the Fund will experience capital gains on the disposal of investments or those fluctuations in distributions will not occur.

7.14 Property Risks

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 income of the Fund. These may result in a reduction of distributions and returns.

As the Adelaide Office Tower has a number of tenants, risk arises due to the fact a tenant may suffer financial problems or cease to exist, vacant space may not be able to be relet, or re-leasing deals may not be able to be struck at the level desired. A tenant may also default under the terms of its lease and additional costs of securing a new tenant may be incurred, which would have a materially adverse impact on the returns the Fund receives from its investment in the Westpac House Investment Trust 1.

7.15 Construction risk

The purpose of the Loan to be advanced by the Fund is the construction of the Wallaroo Port. A number of factors may result in construction being delayed meaning that the Fund's income from Loan may be realised at a later date than originally anticipated.

7.16 Borrower risk

There is a risk that the Borrower may default on the Loan and as a result is:

- unable to complete the construction of the Wallaroo Port;
- unable to service the Loan; or
- unable to repay the Loan, either in part or in full.

7.17 Enforcement risk

If the Borrower defaults under the Loan, then the mortgage may need to be enforced to recover the Loan principal and unpaid interest and costs. In order to pay for enforcement costs (such as the costs of appointing a receiver, legal fees in enforcing against the Borrower and agent's commissions for sale of the security property) may have to be used. This will most likely lead to a reduction in distributions paid to Investors and, depending on whether the enforcement costs can ultimately be repaid out of the proceeds from the sale of the security property, may result in Investors suffering a loss.

7.18 Interest capitalisation risk

The Loan is structured such that interest is capitalised and paid with capital at the end of the term of the Loan. This means the interest (and possibly other fees payable on the Loan) is added to the original Loan amount and subsequent interest payments are based on the increased Loan amount. There is a risk that there are insufficient moneys to repay the Loan and the capitalised interest, which may result in a loss of some or all of an Investor's investment in the Fund.

7.19 Loan loss risk

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

7.20 Documentation risk

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

7.21 Valuation risk

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

7.22 Return of Capital

The return of capital and the realisation of gains, if any, generally will occur upon repayment of the investment. While it may be possible to sell the investment, it is not generally expected that this will occur and accordingly, Investors must be aware that there is unlikely to be any return of capital or payments on the investment for the Fund Term.

7.23 Fees and expenses

The Fund will incur fees and expenses regardless of whether it is profitable. For example, the Fund will pay management fees whether or not it makes any profits. In addition, the Fund will also be required to pay annual management fees whether it is fully invested or not. The Fund must therefore make sufficient profits from its investments to avoid depletion or exhaustion of its assets from these and other expenses. The Trustee and the Investment Manager expect to incur significant fees and expenses in seeking to source, evaluate, structure, negotiate, close, monitor and exit investments 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 investments. There can be no assurance that the Fund will be successful in being able to recover these fees and expenses from successfully closed investments. These amounts may be significant and could have an adverse impact on the return that Investors might otherwise realise.

7.24 Currency Risk

The Fund's investments will be domiciled 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.

7.25 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.

7.26 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 unauthorized access.

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

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

7.27 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.

Various funds managed by Australia China Investment Fund Pty Ltd may invest in funds managed by ICAM Duxton No 1 Pty Ltd and ICAM ACIF No 2 Pty Ltd. James Forbes is a director of Australia China Investment Fund Pty Ltd, ICAM Duxton No 1 Pty Ltd and ICAM ACIF No 2 Pty Ltd.

In particular, the Australia China Investment Fund may make investments, via loans or other real estate and infrastructure related investments (including the Loan) with related parties of the Investment Manager. The Trustee does not guarantee that such investments will be made on arm's length terms.

7.28 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.

7.29 Other Risks

It is important to note that not all risks can be foreseen. It is therefore not possible for the Trustee or 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 capital or the performance of the Fund.

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

8. Taxation Information

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

8.1 Tax File Number and Australian Business Number (Australian Investors Only)

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

8.2 Australian GST

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

8.3 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.

In compliance with FATCA and the IGA signed between the US and Australian Governments in April 2014 in relation to FATCA, the Fund will be required to provide information to the ATO in relation to Investors that are:

- (a) US citizens or residents;
- (b) entities controlled by US persons; and
- (c) financial institutions that do not comply with FATCA.

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

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

8.5 Withholding Tax

Investors under this IM who are non-residents will be subject to withholding tax on the income distributions payable to them from the Fund.

This withholding tax is paid by the Fund on behalf of members of the Fund and is deducted prior to distributions being paid. The amount of withholding tax payable will be determined by the composition of income distributions received from by the Fund from its investments.

Investors in existing classes of units in the Fund who are non-residents currently pay withholding tax at the rate applicable to interest income.

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

9. Additional Information

9.1 Summary of material documents

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

- Constitution
- Investment Management Agreement
- Administration Agreement

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

9.1.1 *Constitution*

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

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

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

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

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

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

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

9.1.2 *Investment Management Agreement*

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

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

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

9.1.3 Administration Agreement

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

9.2 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 the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (**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.

9.3 Related party transactions and conflicts management

Related party transactions carry a risk that they could be assessed and reviewed less rigorously than transactions with other parties.

The Investment Manager is not a related party of the Trustee. The contractual arrangements between the Trustee and the Investment Manager are negotiated at arm's length between the parties. The Trustee may from time-to-time enter into transactions with related entities. For example, the Administration Manager is a related party of the Trustee.

Various funds managed by Australia China Investment Fund Pty Ltd may invest in funds managed by ICAM Duxton No 1 Pty Ltd and ICAM ACIF No 2 Pty Ltd. James Forbes is a director of Australia China Investment Fund Pty Ltd, ICAM Duxton No 1 Pty Ltd and ICAM ACIF No 2 Pty Ltd.

While the Trustee will not assess the merits of each investment recommended by the Investment Manager, the Trustee will review each investment to ensure it complies with the investment strategy disclosed in this IM and permitted under the Constitution. Accordingly, the Trustee does not guarantee that such transactions will be entered into on arm's length terms.

9.4 Complaints handling

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

The Complaints Officer
Vasco Trustees Limited
Level 5, 488 Bourke Street
Melbourne VIC 3000

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

As the Fund is an unregistered managed investment scheme, complainants do not have recourse to the Australian Financial Complaints Authority (AFCA).

9.5 Anti-money laundering law

The Trustee is required to comply with the 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. 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.

9.6 Transfer of Units

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

Under the Constitution, the Trustee has the discretion to refuse the transfer of Units and is not obliged to accept a transfer of Units. Please note that a transfer of Units may have taxation consequences.

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

9.7 Consents

Written consents 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:

- Australia China Investment Fund Pty Ltd

- D H Flinders Pty Ltd
- ICAM ACIF Holdings Pty Ltd
- ICAM ACIF No 2 Pty Ltd
- Inheritance Capital Asset Management Pty Ltd
- Vasco Fund Services Pty Limited

10. Glossary

Terms used throughout this Information Memorandum are defined in this Section.

Administration Manager	Vasco Fund Services Pty Limited (ACN 610 512 331)
AFSL	Australian financial services licence
AML/CTF	Anti-money laundering and counter-terrorism financing
Applicant	A person or entity who submits an Application Form
Application	An application by a prospective Investor to subscribe for Units under this Information Memorandum
Application Form	An application form that is attached to this Information Memorandum
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Borrower	ICAM ACIF Holdings Pty Ltd as trustee for the ICAM ACIF Holdings Trust
Constitution	The constitution establishing the Fund, dated 21 August 2015
Corporations Act	The Corporations Act 2001 (Cth)
Fund	Australia China Investment Fund
GST	Goods and Services Tax
Information Memorandum or IM	This information memorandum and any supplementary or replacement information memorandum inviting investment in the Fund
Investment Manager or ACIF	Australia China Investment Fund Pty Ltd (ACN 607 032 655)
Investment Management Agreement	The agreement between the Trustee and Investment Manager that governs the rights and obligations of the Investment Manager
Investor	A holder of a Unit
Loan	The proposed loan from the Fund to Borrower for the construction of the Wallaroo Port
Minimum Investment Term	For each Investor, means four years from the date Units are issued. For the sake of clarity, if an Investor subsequently acquires additional Units under a separate application, then a separate Minimum Investment Term will apply
Offer	The invitation by the Trustee to prospective Investors to subscribe for Units in the Fund under this Information Memorandum

Pre-30 June 2015 complying SIV investment	A 'complying investment' for the purposes of regulation 5.19B (2)(c) of the Migration Regulations 1994 (<i>Cth</i>) as at 30 June 2015
Project	A project in which the Fund makes a direct investment
SIV	Significant Investor Visa Program
Sophisticated investor	A 'sophisticated investor' as defined in section 761GA of the Corporations Act
Trustee or Vasco	Vasco Trustees Limited (ACN 138 715 009, AFSL 344486)
Unit	A unit in the Fund
Wholesale investor	A 'wholesale client' as defined in section 761G of the Corporations Act

11. Application for Units

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

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

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

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

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

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

All application money payments should be made as follows:

1. By cheque:

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

2. By electronic transfer:

Electronic transfers should be made to “Vasco Trustees Limited ATF Australia China Investment Fund” c/o **Macquarie Bank – BSB: 182 512, Account: 963 628 029** and identified by the name of the person or entity making the transfer (including ACN or ABN) where applicable. The Macquarie Bank Swift Code is MACQAU2SXXX.

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

Application Form



Australia China Investment Fund

Use this application form if you wish to invest in:

Australia China Investment Fund

The Information Memorandum (IM) for the Australia China Investment Fund (Fund), dated 17 April 2020, includes information about purchasing Units in the Fund. Any person who gives another person access to the application form must also give the person access to the IM and any incorporated information. You should read the IM and any incorporated information before completing this application form.

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

Customer identification

If you are a new investor, you are also required to complete the relevant Customer Identification Form depending on what type of investor you are e.g. individual or super fund. The Customer Identification Forms are available on our website www.vascofm.com or by calling our Investor Services team on 03 8352 7120.

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

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

Important Information for Financial Advisers

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

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

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

Contact details

Mail your completed application form and identity verification documents to:

Vasco Fund Services Pty Limited
Level 5, 488 Bourke Street
Melbourne VIC 3000

If you have any questions regarding this form or the required Customer Identification requirements, please contact our Investor Services team on 03 8352 7120.

Checklist

Before sending us your application please ensure you have:

- ☐ completed this form in full;
- ☐ for new investments, completed the relevant 'Customer Identification Form' available on our website www.vascofm.com;
- ☐ if paying via direct debit, completed section 10 ensuring ALL bank account signatories have signed;
- ☐ if paying via cheque, ensure cheque is made payable to 'Vasco Trustees Limited ATF Australia China Investment Fund' and attach it to this application form; and
- ☐ read the declaration and provided all relevant signatures.

Australia China Investment Fund



1. Investment details

☐ New investment ▶ Please proceed to section 2.

☐ Additional investment ▶ Existing account name

Existing account number

2. Investor type

- | | |
|------------------|--|
| 3. Investor name | |
|------------------|--|

Investor 1

[illegible][illegible]

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

Business name of sole trader (if applicable)

Investor 2

[illegible][illegible][illegible][illegible][illegible]

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)

Australia China Investment Fund - 17 April 2020

4. Contact details

This is the address where all correspondence will be sent.

[illegible]

5. Tax information

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

5a. Individual investor or entity	5b. Investor 2 (joint investors)
TFN <input style="width: 100px;" type="text"/>	TFN <input style="width: 100px;" type="text"/>
Tax exemption <input style="width: 100px;" type="text"/>	Tax exemption <input style="width: 100px;" type="text"/>
ABN <input style="width: 100px;" type="text"/>	

5c. Non-residents

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

[illegible]

6. Investment allocation and payment options

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

I/we are making my/our investment via:

☐ Direct Credit/EFT → see below.

☐ **Bank Cheque** → make cheque payable to 'Vasco Trustees Limited ATF Australia China Investment Fund'.

[illegible]

The minimum initial investment is \$1,000,000.

Cheque Instructions: Bank Cheques or drafts must be made payable to Vasco Trustees Limited ATF Australia China 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 5, 488 Bourke Street
Melbourne, VIC, 3000
P +61 3 8352 7120 F +61 3 8352 7199 E info@vascofm.com

Direct Credit / EFT Instructions

Alternatively you can direct credit your application funds to:
Vasco Trustees Limited ATF Australia China Investment Fund
Macquarie Bank
BSB 182 512
Account number 963 628 029
Swift Code - MACQAU2SXXX
Please note the investor's name when transferring the funds.
Please ensure all funds transferred are net of all bank charges.

7. Annual report

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

8. Income distributions

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

- ☐ Please reinvest my/our income distributions.
- ☐ Please credit my/our nominated bank account provided in section 9 with my/our income distributions.

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

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

Financial institution

Branch

Account name

Branch number (BSB)

Swift code (for Accounts held outside of Australia)

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

Please read the declarations below before signing this form. The signatures required are detailed at the bottom of this 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 current IM (including the incorporated information) and current Constitution for the Fund (each as amended from time to time);
- I/we have legal power to invest in accordance with this application and have complied with all applicable laws in making this application;
- I/we have received and accepted this offer in Australia;
- the details of my/our investment can be provided to the adviser group or adviser named at the end of this form or nominated by them by the means and in the format that they direct;
- if this application is signed under Power of Attorney, the Attorney declares that he/she has not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it);
- sole signatories signing on behalf of a company confirm that they are signing as sole director and sole secretary of the company;
- I/we acknowledge that if Vasco reasonably believes an email or facsimile communication it receives is from me/us Vasco is entitled to rely on that email or facsimile communication and will not be liable for any loss it may suffer if it is later found the email or facsimile communication was fraudulent;
- unless alternative authority for signature is notified to and accepted by Vasco, the person/persons that signs/sign this form is/are able to operate the account on behalf of the company and bind the company for future transactions, including in respect of additional deposits and withdrawals, including withdrawals by telephone and fax;
- I/we acknowledge that I/we have read and understood the information under the headings 'Privacy' in the relevant IM. I am/We are aware that until I/we inform Vasco otherwise, I/we will be taken to have consented to all the uses of my/our personal information (including marketing) contained under that heading and I/we have consented to my/our financial adviser providing such further personal information to Vasco as is required or reasonably deemed necessary by Vasco under applicable law;
- I/we understand that if I/we fail to provide any information requested in this application form or do not agree to any of the possible use or disclosure of my/our information as detailed on the IM, my/our application may not be accepted by Vasco and we agree to release and indemnify Vasco in respect of any loss or liability arising from its inability to accept an application due to inadequate or incorrect details having been provided;
- I/we acknowledge that none of Vasco, its officers or related entities 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 for the Fund and that an application for Units is binding and irrevocable;

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

- I/we have not relied on statements or representations made by anybody, other than those made in the IM;
- I/we agree and acknowledge no cooling off period applies and I/we have had the opportunity to seek independent professional advice on subscribing for Units;
- I/we agree and acknowledge Vasco is required to comply with the anti-money laundering laws in force in a number of jurisdictions (including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS)) and I/we must provide Vasco with such additional information or documentation as Vasco may request of me/us, otherwise my/our Application for Units may be refused, Units I/we hold may be compulsorily redeemed, and any disposal request by me/us may be delayed or refused and Vasco will not be liable for any loss arising as a result thereof;
- I/we have provided a tax file number, and if not, I/we consent to Vasco withholding tax at the highest marginal tax rate;
- I/we acknowledge and agree to having read and understood the risks of investing in the Fund as described in the IM and understand that the risks associated with the Fund's investments may result in lower than expected returns or the loss of my/our investment;
- I/we acknowledge that the Fund is not currently registered with the Australian Securities and Investments Commission, but may be at some future point in time. By investing in the Fund, I/we consent to the Fund being registered at some future point should Vasco consider it appropriate. I/we also consent to registration taking place without Vasco holding a meeting of Investors to approve the application for registration.

I/We also warrant and acknowledge that:

- All information contained in my/our Application is true and correct;
- I/we are not a Politically Exposed Person (PEP) as defined by the AML/CTF legislation;
- I/we are a "wholesale client" for the purposes of section 761G of the Corporations Act and relevant information has been provided to confirm this and by investing in this Fund I/we will not cause any breach of the Corporations Act by or for Vasco;
- if the Applicant is a SMSF, it is compliant and investing in this Fund complies with the Superannuation Industry Supervision Act 1993 (Cth); and
- I/we hold the appropriate authorisations to become an Investor in the Fund and that offer cannot be revoked.

Refer to list of signatories on page 48 of this application form.

Investor 1 / Signatory 1

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

Investor 2 (joint investors) / Signatory 2

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

Signing Authority

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

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

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

11. Adviser use only

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

Office name	<input type="text"/>
Surname	<input type="text"/>
Given name(s)	<input type="text"/>
Title (Mr/Mrs/Miss/Ms)	<input type="text"/>
Phone (business hours)	<input type="text"/>
Advisor group email	<input type="text"/>
Advisor group name	<input type="text"/>
Advisor group AFSL	<input type="text"/>
Advisor Signature	<input type="text"/>
Date	<input type="text"/>

ADVISER STAMP

Important notes

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

Signatories

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

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

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

**This is not required in some circumstances.

Schedule - Offering Legends

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

AUSTRALIA

This IM may not be circulated or distributed and no offer for subscription or purchase of the Units offered hereby, nor any invitation to subscribe for or buy such Units 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 or to sophisticated investors as defined in section 761GA 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.

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