



Alexander High Yield Fund

Information Memorandum

Issued 1 July 2025

One Fund Services Ltd

Trustee

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AFSL No 493421

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Alexander Funds Management Pty Ltd

Investment Manager

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Important Information and Disclaimer

Notice

This Information Memorandum (**IM**) is dated 1 July 2025 and is issued by One Fund Services Ltd ACN 615 523 003 (**OFSL or Trustee**) as the trustee of the Alexander High Yield Fund (**Fund**). The Trustee is the holder of AFS Licence number 493421.

The Trustee has appointed Alexander Funds Management Pty Ltd (**Investment Manager**) as the investment manager of the Fund. The Investment Manager is the holder of AFS Licence number 476697.

The purpose of this IM is to provide information for Potential Investors to decide whether they wish to invest in the Fund

Neither the delivery of this IM, nor any offer or issue or interests in the Fund implies or is a representation or warranty that there has been no change since that date in the affairs or financial condition of the Fund, or that the information provided in this IM or any supplementary information memorandum remains correct at any time after that date.

No disclosure required

This IM is intended to provide Potential Investors with information only and does not constitute a product disclosure statement or other disclosure document required or regulated by the Corporations Act 2001 (Cth) (**Corporations Act**). The Fund has not been registered with ASIC as a registered managed investment scheme and this IM has not been lodged with ASIC or any other government body. The offer made under this IM is only available to persons who qualify as wholesale clients (as defined in section 761G(7) of the Corporations Act) (**Qualifying Investors**). The Trustee will not issue Units in the Fund to a person unless it is satisfied that the person is a Qualifying Investor.

Investors should read this IM in its entirety before deciding to invest in the Fund.

Foreign jurisdictions

This IM does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction other than Australia or in circumstances in which such offer or solicitation is not authorised. No recipient of this IM in any jurisdiction other than Australia may treat it as constituting an offer to acquire units in the Fund. In particular, this product has not been and will not be registered under the US Securities Act or the securities laws of any state of the United States and may not be

offered, sold, delivered or transferred in the United States or to, or for the account of, any 'US Person' (as defined in Regulation S under the US Securities Act). Neither this IM nor any Application Form or other material relating to this product may be distributed in the United States.

Investments in the Fund will be by invitation only. The Fund is not obliged to accept applications and reserves absolute discretion in refusing any application.

No responsibility for contents of document

To the maximum extent permitted by law, neither the Trustee nor the Investment Manager, nor any of their associates, related parties, directors, officers, employees, advisors (including financial, accounting and legal advisors) or representatives make any recommendation in relation to the Fund, or make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this IM.

This IM does not purport to contain all the information that a Potential Investor may require in evaluating a possible investment in the Fund. This IM must be read in conjunction with the Fund's Constitution, a copy of which is available (free of charge) by contacting the Trustee on +61 2 8277 000 or the Investment Manager on +61 3 9039 5050. To the extent there are any inconsistencies between the Constitution and this IM, the Constitution prevails.

Not regulated by APRA

Neither the Trustee nor the Investment Manager is authorised under the Banking Act 1959 (Cth) (**Banking Act**) and neither is supervised by the Australian Prudential Regulation Authority.

The capital and return on an investment in the Fund are not guaranteed by either the Trustee or the Investment Manager. An investment in the Fund is not a deposit with either of the Trustee nor the Investment Manager and is not covered by the deposit or protection provisions in section 13A of the Banking Act.

Forward-looking statements

This IM may include forward-looking statements that may contain the words 'believe', 'intend', 'estimate', 'expect', 'target' and words of similar meaning. All statements other than statements of historical facts included in this IM, including, without limitation, those regarding the Fund's financial position and business or investment strategy, plans and objectives are forward-looking statements. Such forward-looking statements involve

known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Fund to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

Any forward-looking statements are based on numerous assumptions regarding the Fund's operations and present and future business and investment strategies and the markets in which the Fund will operate in the future. These forward-looking statements are made on the date of this IM. Accordingly, there can be no assurance that such statements, estimates or projections will be realised.

Potential investors should determine for themselves what reliance (if any) they should place on any such statements, views, projections, targets or forecasts and no responsibility is accepted by the Trustee nor the Investment Manager, nor any of their directors, officers, employees, advisors or representatives in this respect. Potential Investors are strongly advised to conduct their own due diligence, including without limitation, by obtaining professional advice about the legal and tax consequences to them in investing in the Fund.

Except as expressly required by law, the Trustee and the Fund have no obligation to publicly update or revise any forward-looking statement provided in this publication, whether as a result of new information, further events or otherwise, or the risks affecting this information.

Independent advice recommended

Potential Investors are not to construe the contents of this IM as tax, legal, investment or financial product advice. The information contained in this IM is general information only and does not take into account your objectives, financial situations or needs. An investment in the Fund should be regarded as speculative and may not be appropriate for all persons or entities. You should seek appropriate professional advice and should conduct your own independent investigation and analysis regarding any information contained in this IM. You should rely on your own enquiries, in particular in obtaining your own legal, investment and tax advice in determining whether to invest in the Fund.

No guarantee

An investment in the Fund is subject to investment risk, including the loss of income and capital invested. None of the Trustee, Manager nor Administrator, nor any of their directors, officers, employees, advisors or representatives guarantee the rate of return or performance of the Fund,

the meeting of the objectives of the Fund, nor do they guarantee the repayment of capital nor do they make any guarantees about the timing of repayment of capital or payment of other distributions, which may be significantly delayed.

Past performance is not necessarily indicative of future results, and actual events or performance of the Fund may differ materially from that contemplated in the IM (and any applicable supplementary IM). Statements in the IM (and any applicable supplementary IM) may include opinions, estimates and forecasts that may not prove to be correct or appropriate.

Risks

All investments are subject to risk. This IM includes a description of potential risks of investing in the Fund. Potential Investors are encouraged to read and consider those risks.

Neither the Trustee nor the Investment Manager, nor any of their directors, officers, employees, advisors or representatives or anyone else represents that the description of key risks outlined in this IM is an exhaustive or complete description of all possible risks in connection with an investment in the Fund.

Trustee limitation of liability

Except in certain circumstances (including fraud, negligence or wilful 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.

Disclosure of interests

The Trustee, the Investment Manager or their related entities may enter into agreements with their related entities in relation to the Fund. They may also acquire Units on the same terms and with the same rights as other Investors in the Fund.

Updated information

The information contained in this IM can change, and the IM may be updated or replaced from time-to-time. Unless the changed information is materially adverse to you, the Trustee may not always update or replace this IM to reflect the changed information. Updated information can be obtained by going the website of the Trustee www.oneinvestment.com.au, or calling the Investment Manager on +61 3 9039 5050.

Confidentiality

This IM is confidential and is being provided to Potential Investors for them to consider investing in the Fund. Its use for any other purpose is not permitted. It may not be reproduced or redistributed, in whole or in part, and its contents may not be disclosed to any person.

Glossary

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

1. Key Terms

Key Terms	Summary	For Further Information
Date of Information Memorandum	1 July 2025	
The Investment	Units in the Alexander High Yield Fund, a wholesale unit trust (the Fund)	
Fund Benchmark	<p>The Fund aims to achieve an annual return equal to the greater of:</p> <ul style="list-style-type: none"> the Bloomberg Ausbond Bank Bill Index + 6% per annum; or 8% per annum. 	Section 6
Investment Strategy	<p>The Investment Strategy of the Fund is to locate opportunities within the credit markets that offer attractive risk-adjusted returns. The Investment Manager:</p> <ul style="list-style-type: none"> will seek diverse investment opportunities and once the Net Asset Value of the Fund surpasses \$200 million intends to limit the maximum single exposure within the Fund to 10% of the Net Asset Value. employs a relative value investment approach that compares the risk-return profiles of different investments within the credit markets to identify opportunities for the Fund. <p>The Fund has no specific minimum credit rating for individual securities or requirement for a minimum portion of the portfolio to meet a specific credit quality. However, given the return objective of the Fund, it is generally expected that the portfolio will be predominantly invested in sub-investment grade securities.</p> <p>The Fund has an absolute return target which means that it aims to produce positive returns in both rising and falling markets as well as a rate of return above the Fund Benchmark.</p>	Section 6
Investment Universe	The Fund can invest in the full spectrum of credit products that include but are not limited to: corporate bonds, corporate debt, bank bills, commercial paper, bank loans, hybrid securities, unit trusts, mortgage-backed securities, asset-backed securities, structured credit products, securities, credit and other derivatives and credit linked notes, and convertible, preference and ordinary shares both within and potentially outside Australia.	
Investment Manager	Alexander Funds Management Pty Ltd ACN 136 871 924 AFSL (476697)	Section 2
Trustee	One Fund Services Ltd ACN 615 523 003	
Custodian	One Fund Services Ltd undertakes self custody and holds the assets itself.	Sections 4 and 12.5
Administrator	Unity Fund Services Pty Ltd ACN 146 747 122	Section 12.5
Registrar	One Registry Services Pty Limited ACN 141 757 360	Section 12.5

Key Terms	Summary	For Further Information
Minimum Investment Amount	\$500,000 although the Trustee reserves the right to accept lower amounts or reject applications.	Section 8
Minimum Additional Investment	\$100,000 although the Trustee reserves the right to accept lower amounts or reject applications.	Section 8
Investor Type	<p>The Offer is only available to persons who qualify as wholesale clients (as defined in section 761G(7) of the Corporations Act) (Qualifying Investors).</p> <p>The Trustee will not issue Units to a person unless it is satisfied that the person is a Qualifying Investor.</p>	Section 8
Valuation Frequency	Monthly	Section 8
Applications	An application for Units may be made by a Potential Investor completing an Application form and may be accepted or rejected by the Trustee, in whole or in part without giving any reason. Applications will generally be processed on the last day of each month however the Trustee retains the ultimate discretion for Applications to be processed on any Business Day. For the avoidance of doubt, an Application might not be processed in the month it is received.	Section 8
Redemptions	<p>Redemptions are available monthly on a best endeavours basis. Redemptions will be at the Trustees discretion and only be paid, amongst other considerations, subject to Fund liquidity and if there is available cash to pay the redemption, taking into account any commitments, expenses and liabilities of the Fund (Available Cash Balance). The Trustee may redeem Units of any investor at any time without the need for a redemption request.</p> <p>The Redemption Price for a Unit is calculated in accordance with the Constitution and varies based upon the date an application for redemption is accepted.</p> <p>Under the Constitution, it is calculated as follows:</p> $\frac{\text{NAV} - \text{Transaction Costs}}{\text{Number of Units on issue}}$	Section 8
Risks	Like any investment of this type, there are risks associated with investing in the Fund. Distributions are not guaranteed, nor are any capital returns.	Section 7
Tax Information	Before investing in the Fund, you should obtain your own independent financial and tax advice, which takes into account your own circumstances.	Section 11
Application Price	<p>The Application Price for a Unit is calculated in accordance with the Constitution and varies based upon the date an application is accepted.</p> <p>Under the Constitution, it is calculated as follows:</p> $\frac{\text{NAV} + \text{Transaction Costs}}{\text{Number of Units on issue}}$	Section 10
Distributions	Where cash is available the Fund will aim to make quarterly distributions. Please note that distributions are not guaranteed.	Section 8

Key Terms	Summary		For Further Information
Fees and other costs	Trustee fees, and operating costs and expenses	<p>The Trustee is entitled to be paid a fee from the assets of the Fund. Under the Constitution, the Trustee may charge an annual fee of \$100,000 per annum for its services. Once the gross value of the assets of the Fund is \$5,000,000.00 or greater, the Trustee is entitled to a trustee fee of up to 2 percent per annum of the Gross Asset Value. As at the date of this IM, the Gross Asset Value of the Fund is more than \$5,000,000. In fact, the Trustee is paid a lower fee than 2 percent of the Gross Asset Value. See section 10 and below for more detail.</p> <p>The Trustee and the Investment Manager are entitled to be paid or reimbursed for costs and expenses associated with the operation of the Fund, such as the costs associated with the administration or distribution of income, any Administrator's fee, Registrar's fees, fees for the audit of the Fund, fees to other service providers and other expenses properly incurred in connection with performing their duties and obligations in the day-to-day operation of the Fund. Unusual costs and expenses, such as transactional costs and costs of calling unitholder meetings are paid out of the assets of the Fund.</p>	Section 10
	Transactional costs	<p>There may be specific transactional fees and other expenses that may apply to an investment by the Fund, for example:</p> <ul style="list-style-type: none"> • valuation and search fees; • due diligence costs; • legal fees. 	Section 10
	Management Fee	The Investment Manager has economically capped the Management Fee for the Fund at 1.25% per annum of the Net Asset Value of the Fund less the ordinary expenses of the Fund. This means that the Management Fee payable to the Investment Manager is the balance of that amount less the Trustee fees, Administrator's fee, Registrar's fee and other ordinary expenses of the Fund.	Section 10
	Performance Fee	25% of any outperformance of the Fund above the Fund Benchmark net of the Management Fee and the ordinary expenses of the Fund. The Performance Fee has a High Water Mark.	Section 10

2. *About the Investment Manager*

Alexander Funds Management Pty Ltd (**Investment Manager**) is a boutique Australian Fund Manager established in 2009, that specialises in the credit markets.

The Investment Manager has a proven track record of providing its clients with access to broad range of opportunities within credit markets that they are not able to access directly. The Investment Manager's investment team has decades of experience in the domestic and global credit markets, including managing credit portfolios through numerous business and economic cycles. This experience gives the Investment Manager the capabilities to be able to identify relative value between opportunities within credit markets.

3. *Key People*

The key people within the Investment Manager include:

Rachel Shirley - Chief Executive Officer

Rachel is the Chief Executive Officer and co-founder of Alexander Funds Management Pty Ltd. Rachel has been working in fixed income markets for over 20 years. Prior to joining, Rachel was Vice President, Fixed Income with Lehman Brothers where she managed a portfolio of institutional investors' money within the Australian market. Other roles she has held include Manager with West LB in London and Senior Dealer, Fixed Interest with Westpac Banking Corporation. Rachel holds a Bachelor of Laws and a Bachelor of Economics from Monash University.

Chris Black - Senior Portfolio Manager

Chris is a Senior Portfolio Manager of Alexander Funds and the primary Portfolio Manager of the Fund. Chris has more than 25 years of experience in the global fixed interest markets. He was Vice President of TD Securities in Toronto, Canada, where he operated a credit trading operation covering North American credits. He joined Development Bank of Singapore in 2002 as Senior Vice President where he ran North American and European Credit Trading before moving back to Australia in late 2006 with Challenger Financial Services. Chris co-founded Alexander Funds Management Pty Ltd (previously Laminar Funds Management) in May 2009. Chris holds a Bachelor of Economics (Honours) from Monash University.

Adam Scully – Senior Portfolio Manager

Adam is a Senior Portfolio Manager and spends the majority of his time managing the Funds. Adam has more than 22 years of portfolio management experience, with 12 of those as a senior portfolio manager within the credit market. Prior to joining, Adam acted as a Senior Portfolio Manager at VFMC managing their directly invested credit portfolio. He has experience in managing assets across multiple security types, including bonds, loans, structured credit and credit derivatives. Adam is a CFA charter holder and has a Bachelor of Business from Swinburne University.

4. *About the Trustee*

One Fund Services Ltd ACN 615 523 003 is the holder of AFS Licence number 493421.

The Trustee has extensive experience as a corporate trustee and is a professional trustee.

The Trustee is a member of the One Investment Group (**OIG**). OIG is an independent Australian funds management business that focuses on providing responsible entity, trustee and other services associated with funds management. OIG operates a number of entities that, pursuant to the Corporations Act, are licensed to conduct financial services businesses and to act as responsible entities for registered schemes and as trustees for unregistered schemes.

We are responsible for over 450 funds and more than \$80 billion across a wide range of asset classes including hedge funds, real estate, private equity, fixed income, credit and equities.

OIG's capabilities include:

- responsible entity services,
- trustee services,
- registry services,
- fund administration and taxation services, and
- custody services.

More information is available at www.oneinvestment.com.au.

5. *Structure of the Fund*

The Fund is an Australian unit trust. Unit trusts are vehicles which enable investors to pool their money with that of other investors. The pooling, amongst other reasons, enables you to invest in markets that may otherwise be difficult to access.

The Fund is structured as an unregistered managed investment scheme under the Corporations Act. It is an unlisted wholesale scheme.

Money invested in the Fund will purchase a number of Units which represents your holding in the Fund. Each Unit in the Fund confers an equal and proportionate beneficial interest in the net assets of the Fund. No Unit will give you an interest in any particular part of the Fund's assets or investments, or an entitlement to exercise any right or power in respect of any such asset or investment, or an entitlement to participate in the management or operation of the Fund (other than through Investor meetings).

The Fund comprises assets which are acquired in accordance with its Investment Strategy.

The Fund is regulated by its Constitution and the general law of Australia. The Constitution sets out the conditions under which the Fund is to operate, the rights and liabilities of Investors, and the rights, powers, responsibilities and duties of the Trustee. Investors are bound by the Fund's Constitution.

The principal rights of an Investor in the Fund are to:

- (a) share in the Fund's distributable income
- (b) attend and vote at Investor meetings, and
- (c) share in the distribution of assets if the Fund is wound up.

The value of a Unit in the Fund is determined by reference to the assets and liabilities of the Fund.

6. *How the Fund Invests*

6.1 **Investment Objective**

The Investment Manager aims for the Fund to achieve an annual return in excess of the Fund Benchmark. The Fund Benchmark is the greater of:

- the Bloomberg Ausbond Bank Bill Index + 6% per annum; or
- 8% per annum.

6.2 **Investment Strategy**

Overview of the Investment Strategy

The Fund was launched in November 2021 and seeks to achieve its Investment Objective through an active management approach that focuses on identifying opportunities in the Australian and global credit markets. The Fund can invest in the full spectrum of credit products that include, but are not limited to: corporate bonds; corporate debt; bank bills; commercial paper; loans; hybrid securities; unit trusts, mortgage-backed securities; asset-backed securities; structured credit securities; credit and other derivatives and credit linked notes; and convertible, preference and ordinary shares.

The Investment Strategy of the Fund is to locate opportunities within the credit markets that offer attractive risk-adjusted returns. The Investment Manager:

- aims to make investment which result in Fund distributions;
- will seek diverse investment opportunities and once the Net Asset Value of the Fund surpasses \$200 million intends to limit the maximum single exposure within the Fund is 10% of the Net Asset Value;
- employs a relative value investment approach that compares the risk-return profiles of different investments within the credit markets to identify opportunities for the Fund; and
- applies a portfolio management methodology which combines a top-down macro framework with a bottom-up selection process.

The bottom-up credit process is initiated from the portfolio management team, who present potential investment opportunities to the Investment Committee. The Investment Committee assesses and approves the potential investment opportunities presented to them with the aim of creating a portfolio of the best available relative value opportunities for the Fund. In assessing the relevant potential investment opportunities presented to it, and in determining if a proposed investment is in the best interests of the Fund, the Investment Committee will examine a number of aspects of the opportunity, which may include: the price, the level of subordination, the term to maturity, the liquidity, the ratings and the impact on credit and interest rate duration to the portfolio. The bottom-up process is applied to both single credit exposures and pooled investments. Analysis of single credit exposures involves understanding the credit risk of the issuer as well as considering the appropriate terms of the investment.

The Fund will be oriented towards opportunities in the credit markets that generate a cash yield, as well as potentially generating capital appreciation.

Assumptions and Dependencies

The success of the Fund's investment strategy will depend on market conditions and may be influenced by risk factors, including those set out in section 6, such as asset risks, economic risk, credit risk, market risk, counterparty risk and derivative risks.

Risk Management

The Investment Manager employs a risk management process to help reduce the volatility of the Fund's returns. The risk management framework includes limiting the notional exposure of the Fund to any individual company, entity or structured product. The Investment Manager considers and actively monitors risk of loss of the Fund's assets.

Change in Investment Strategy

The investment strategy may be amended by the agreement of the Investment Manager and the Trustee. The Trustee will provide investors with 30 days' notice before implementing a change to the investment strategy of the Fund.

6.3 Leveraging and Derivatives

The Fund may use leverage and utilise derivatives, including exchange traded derivatives and over-the-counter derivatives (i.e. derivatives which are entered into directly between two parties and not traded on an exchange) and can include instruments such as credit default swaps, interest rate swaps or futures and cross currency swaps.

Derivatives may be used primarily for hedging purposes (e.g., to manage interest rate, credit, or currency risks) but may also contribute to overall Fund returns depending on market conditions. While intended to reduce risk exposures or facilitate efficient portfolio management, this may also introduce additional risks, including the potential for gains or losses from market movements or mispricing. The use of leverage through derivative positions may amplify both potential returns and losses.

When entering into derivative transactions, the Fund may be required to post margin or collateral with derivative counterparties or brokers. This collateral is typically held in the name of the counterparty or broker, and in the event of that party's insolvency, the Fund may become an unsecured creditor and could suffer a loss of all or part of the collateral posted. The Investment Manager adopts stringent counterparty selection processes and will only enter into over-the-counter derivative contracts with institutions that have the appropriate regulatory standing, execution capability, and market access to support cost-effective and low-risk execution. The Investment Manager monitors counterparty exposures and, where possible, may implement hedging or risk mitigation measures if it deems the level of counterparty risk to be material or increasing.

7. Risks

All investments carry risk. There are a number of risk factors that could affect the performance of the Fund and the repayment of an Investor's capital. These risks can range from general economic risks to the specific risks associated with an individual investment. Many risk factors fall outside of the Trustee's and the Investment Manager's control and cannot be mitigated.

The Fund invests in high yielding credit products, which may not be rated or may have a non-investment grade rating. A non-exhaustive list of the main risks associated with an investment in the Fund and how the Investment Manager endeavours to mitigate those risks are listed in the table below. There is no guarantee that any risk mitigation measures described below will be effective.

Investors should consider and weigh the risks carefully and make their own assessment as to whether they are comfortable with them. You may lose money by investing in the Fund and your investment in the Fund may not meet your investment objectives. Distributions are not guaranteed and neither is the return of an Investor's capital and neither the Trustee or Investment Manager guarantee the liquidity of the Fund's investments, repayment of capital, any rate of return or the Fund's investment performance. You should seek independent financial advice before investing in the Fund.

Risk	Description
Credit Risk	Credit risk is the loss incurred when the borrower or an issuer of a security fails to pay their principal or interest obligations when they are due. This is the primary risk within the portfolio and the Investment Manager seeks to manage and minimise these risks in many different ways. Investments in the Fund are not however guaranteed and Investor capital may be diminished or lost and enforcement costs may not be recoverable.
Concentration Risk	<p>While the Net Asset Value of the Fund is small, the portfolio may be invested in a small number of asset classes, geographies, issuers or borrower cohort. In this way, the Fund may be 'concentrated' and not as diversified across different assets as would be the case if the Net Asset Value were larger. Concentration risk means that, should a particular asset class be adversely impacted, other highly correlated asset classes run a greater risk that they will also be affected and where a particular asset declines in value or ceases to produce income for the Fund, the impact of this will be greater where assets are more concentrated.</p> <p>To mitigate Concentration Risk, the Investment Manager endeavours to seek diverse investment opportunities and once the Net Asset Value of the Fund surpasses \$200 million intends to limit the maximum single exposure within the Fund to 10% of the Net Asset Value</p>
Currency Risk	The Fund is denominated in Australian dollars, but the portfolio may include investments that are denominated in foreign currency. Currency risk is the risk that the price of any foreign transactions and therefore, the potential profit or loss, may be affected by any variation in the foreign exchange rate between the time an order to purchase a security denominated in foreign currency is placed and the time the security is sold. The Investment Manager may seek to reduce currency risk through the use of cross-currency swaps, foreign exchange forwards and spot contracts and frequent monitoring with a view to rebalance these hedges where practicable.
Derivatives Risk	The Fund may invest in derivatives for hedging purposes. The use of derivatives can lead to losses because of adverse movements in the price or value of the asset, index, rate or instrument underlying a derivative, the failure of a counterparty (as a result of its bankruptcy, insolvency or default), the illiquidity of the instrument, or tax or regulatory constraints.
Subordination Risk	<p>The Fund may invest in assets and lending structures, including private mortgage and asset backed securities which are subordinated, meaning they rank below senior lenders in the capital structure.</p> <p>If the Fund invests in these types of assets and structures, in the event of a default by the issuer or losses in the underlying loan portfolios, the investment by the Fund may absorb losses before senior lenders. This may result in loss of capital, diminished return on investment and higher volatility. Where</p>

	<p>the Fund invests in private mortgage and asset backed securities directly, the senior lender will have the right to take possession of, and deal with, the security property and assets of the borrower if various covenants of the senior lender's loan facility are not met. Where the security associated with the Fund's investment ranks behind the senior lender, if the borrower defaults under any of the loan facilities and the senior lender exercises its security neither the Trustee of the Fund nor the issuer of the securities to the Fund will have day-to-day control over the borrower's assets. This will generally mean that the investment may not be realised until and unless the senior lender has been paid in full. In addition, any money available to the Fund in these circumstances would be limited to what is recovered after the senior lender has been paid in full.</p>
Liquidity Risk	<p>The Fund does not guarantee redemption requests can be made within any specified time frame and there is no guarantee of liquidity of the Fund. Redemption requests are processed on a best endeavours basis, however the Fund may need to wait for extended periods of time before it is able to liquidate various assets in its portfolio and may not be able to dispose of them at all. There is no secondary market in Units in the Fund.</p>
Interest Rate Risk	<p>Interest rate risk is the loss incurred by a fixed income security due to a change in the level of interest rates. Fluctuations in market interest rates may impact your investment in the Fund.</p> <p>In general, as interest rates rise, the price of a fixed rate bond or loan will fall. Interest rate risk can be reduced through the use of interest rate swaps and futures contracts.</p> <p>While the Fund has no specific duration limits (either Credit or Interest Rate), it is generally expected that the Fund will be predominantly invested in floating rate securities in order to mitigate this risk.</p>
Fund Risk	<p>Fund risk primarily relates to the risk that the Fund could terminate, that fees and expenses could change, or that the Trustee or Investment Manager could be replaced. There is also the risk that investing in the Fund may give different results than investing in the underlying assets of the Fund directly because of the income or capital gains accrued in the Fund and the consequences of investment and withdrawal by other Investors.</p>
Market Risk	<p>Market risk is the risk that the value of the Fund's assets can fluctuate due to circumstances affecting the investment market generally and may decline over short or extended periods due to market sentiment, economic, technological, legal, social and/or political factors.</p> <p>Factors that influence markets generally can include business confidence and government and central bank policies, including the level and direction of interest rates, natural disasters and man-made disasters beyond the control of the Trustee and the Investment Manager.</p>
Due Diligence Risk	<p>In all investments there exists a risk that material items that could affect the performance of individual investments are not identified during the investment analysis process and that these risks are not mitigated by the Investment Manager.</p>
Economic risk	<p>Investment returns are affected by a range of economic factors, including changes in interest rates, exchange rates, general share market conditions, government policies and the general state of the domestic and world economies.</p>
Regulatory and Tax Risk	<p>This is the risk that a government, regulator or operator of a securities or asset exchange makes tax or regulatory changes that have an adverse impact on the value of securities within the portfolio or the ability of the Fund to trade the assets. Changes to taxation legislation may necessitate a change to the Fund's structure to ensure Investor interests are protected.</p>
Offshore Investment Risk	<p>This is the risk that the laws and regulations in jurisdictions outside of Australia where some assets of the Fund may be held or transactions conducted, are different to Australian laws. This could have an impact on the value of the Fund's assets as well as the ability to deal in some of the Fund's assets or to enforce obligations owed by the issuers of such assets.</p>

Manager Risk and Key Person Risk	<p>Manager risk is the risk that the Fund may not achieve its objectives due to the Investment Manager stepping outside the boundaries of its mandate. Many factors can negatively impact the Investment Manager's ability to generate acceptable returns. In addition, the Investment Manager's fee may be related to the performance of the Fund, in particular the rate of return received. This type of fee incentivises the Investment Manager to actively improve the Fund's performance. However, there is a risk it may encourage the Investment Manager to make riskier decisions regarding its management of the Fund's investments (such as choosing higher return but riskier investments) with the object of improving the Fund's performance in the short term.</p> <p>Personnel within the Investment Manager's team may also change from time to time. This risk is reduced as the senior portfolio managers within the Investment Manager's team are both owners of Alexander Funds Management Pty Ltd.</p>
Counterparty Risk	<p>Counterparty risk is the risk that a counterparty will fail to perform contractual obligations under a contract for example, at a time when the contract is in-the-money. Counterparty risk arises when the Fund enters into a contract, particularly derivative contracts.</p> <p>The Fund may hold securities issued out of special purpose warehouse vehicles, which are dependent on the performance and conduct of other parties involved in the structure. These include the warehouse sponsor (typically the originator of the underlying loan portfolio), servicers, trustees, and noteholders in more senior tranches. The Fund generally has no direct contractual rights against the borrowers of the underlying receivables or loans and is reliant on the controlling parties to undertake appropriate enforcement or recovery actions in the event of default. If these parties fail to act in a timely, competent, or commercially reasonable manner, or if they are conflicted (such as in cases where the sponsor also retains an equity or residual interest), there may be delays or failures in enforcement, resulting in reduced recoveries or loss of income for the Fund. The Fund does not have the ability to direct such actions unless specific control thresholds are met or voting rights are acquired.</p> <p>In addition, the Fund may enter into derivative transactions with third-party counterparties for the purposes of hedging interest rate, credit spread, or currency risk. These derivatives, including credit default swaps, interest rate swaps, and cross-currency swaps, are subject to the risk that the counterparty fails to meet its obligations under the terms of the derivative contract. In the event of a counterparty default or insolvency, the Fund may suffer losses on the derivative itself and may also lose any collateral or margin posted with the counterparty or its clearing broker. This exposure is particularly relevant for over-the-counter (OTC) derivatives, where collateral is often held by the counterparty and not segregated. The Investment Manager seeks to manage and minimise these risks by applying its established investment criteria, undertaking appropriate due diligence before making investments and closely monitoring the progress with respect to relevant contractual obligations. The Investment Manager may also seek to mitigate this risk through diversification of counterparties, contractual protections under ISDA documentation, and, where appropriate, hedging of the counterparty exposure itself.</p>
Related Party Transactions and Conflict of Interest Risk	<p>Investment Manager</p> <p>The Investment Manager may invest in, deal with or engage the services of the Investment Manager's related bodies corporate engaged in separate business activities which are entitled to charge fees, brokerage and commissions provided that they are in the ordinary course of business and on arm's length terms.</p> <p>Further, there may be circumstances where the Investment Manager may assist other parties in structuring and marketing fixed income products and recommend the Fund invest in such fixed income products and related assets where it considers that the investment is appropriate for the Fund's portfolio. Such investments may involve conflict of interest as the Investment Manager will be advising both the issuer and the Fund.</p>

	<p>The Fund may also invest in other funds of which the Investment Manager is the trustee or investment manager. The Investment Manager may receive fees in its capacity as trustee of those funds. Any fees received are charged on arm's length terms.</p> <p>If not properly dealt with, related party transactions may result in risks associated with conflicts of interest because related parties are often in a position to influence the decision of whether the benefit is provided to them, and the terms of its provision. Transactions where a conflict of interest is present also involves risk as parties may act in favour of another interest other than the interest of the Fund.</p> <p>The Investment Manager has a policy on proposed or potential related party transactions, to ensure that any actual or potential conflicts of interest are identified and appropriately dealt with.</p> <p>Trustee</p> <p>The Trustee may engage other related parties to provide services to assist in management of the Fund's portfolio. The Trustee has policies and guidelines in place to manage the risk of any actual or perceived conflict of interest as a result of a related party transaction between related parties of the Trustee.</p>
Valuation Risk	<p>Where investments of the Fund are not exchange traded, these investments may be valued by reference to observable market data, market prices for comparable assets or other valuation factors (including, in some cases, valuation by an external pricing provider or the Investment Manager). These prices may not reflect the value at which these investments can be realised, which may be lower or higher than the value reflected in the Unit Price of the Fund.</p> <p>Although the Investment Manager takes precautions to ensure that all internal and external value assessments it relies upon are accurate, there is a risk that they may be fundamentally flawed. Further, as with any investment, there is a risk that the value of the investment falls and no longer represents the value as assessed at the time of investment. Should this occur, this may diminish the return to Investors.</p>
Unforeseen Risk and Insurance Risk	<p>Unforeseen extraordinary events such as natural phenomena, pandemics, attacks or other like events may affect the Fund's assets or the underlying funds in which the Fund invests. These may be events for which insurance cover is either not available, or the Fund does not have cover. The performance of the Fund may be adversely affected where any unforeseen event results in losses to Fund assets due to uninsurable risks, uninsured risks or underinsured risks, or the cost of the insurance premiums being in excess of those forecasts. Occurrence of these events could also lead to insurance becoming unavailable for such events in the future, or premiums increasing above levels expected by the Investment Manager.</p> <p>Any failure by an insurer or re-insurer may also adversely affect the Fund's ability to make claims under an insurance policy. These occurrences may result in a loss of capital, in turn reducing the value of Units and amounts that may be available for distribution by the Fund.</p>

8. *Investing in the Fund*

8.1 Who can invest?

The Fund is a wholesale unit trust. The Fund is only open to Qualifying Investors who are resident in Australia.

The offer of Units contained in this IM is restricted to those persons to whom, or those situations where:

- the issuing of a Product Disclosure Statement is not required under Part 7.9 of the Corporations Act; and
- the making of offer or the issuing of Units will not breach the laws of any foreign jurisdiction.

By lodging an Application Form in respect of the offer of Units contained in this IM you declare and warrant to the Trustee and the Investment Manager that you are a Qualifying Investor who has received the Information Memorandum and applied for Units in Australia.

8.2 Unit value, Application price and Valuations

The value of the assets of the Fund is generally determined monthly on the last Business Day but may be more frequently in accordance with the Constitution. Generally, investments will be valued at the most recent available market value but other valuation methods and policies may be applied, if appropriate. For example, where a public valuation of an asset is not available, price valuations supplied by independent, third party specialist data providers would be used to value that asset. Where an independent third party valuation cannot be effectively obtained, the Trustee may decide on a valuation having regard to relevant factors including the nature of the asset, observable market date, market prices for comparable assets and other valuation techniques.

The value of a Unit in the Fund is determined based on the value of the assets of the Fund after taking into account any liabilities of the Fund, that is, the net asset value (**NAV**) of the Fund, in accordance with the Constitution of the Fund. The Application Price is based on the NAV of the Fund, divided by the number of Units on issue, plus an allowance for a buy spread, if applicable. The Redemption Price is the NAV per Unit, less an allowance for a sell spread, if applicable.

The number of Units issued to a Potential Investor will be calculated by dividing the amount invested by the applicable Application Price.

8.3 How to invest

The initial Minimum Investment Amount in the Fund is \$500,000. The Trustee may accept lower amounts at its absolute discretion.

To apply for Units in the Fund, a Potential Investor must complete and sign the Application Forms attached to this Information Memorandum or request an online Application Form from the Registrar by emailing info@oneregistryservices.com.au or by calling +61 2 8188 1510, send it to the Registrar and pay the Application Price in cleared funds. Failure to provide information required in an Application Form or cleared funds, may delay the processing of an application or lead to it being refused.

Completed applications received by the Registrar and accepted by the Trustee before 3pm on the last Business Day of each month (the **Specified Time**) will generally be processed using the Application Price for that month. Completed applications received and accepted after this time will typically be taken to have been received before the next Specified Time and will be processed with effect from that day.

Notification whether or not an application is accepted will normally be issued within five Business Days of the application being processed.

The Trustee is not obliged to accept any application for Units and may refuse an application at its sole discretion. The Trustee may also, in its sole discretion, notify Potential Investors that it wishes to partially accept an application and invite the Potential Investor to amend their application to acquire Units in the Fund to appropriately correspond to the availability for inflows.

Under AML/CTF Law, applications made without providing all the information and supporting identification documentation requested on the Application Form cannot be processed until all the necessary information has been provided. As a result, delays in processing your application may occur or the Trustee may need to refuse your application.

Applications must only be in the name of a natural person or persons, companies or other entities acceptable to the Trustee. Please refer to the application form for the correct form of application names

Potential Investors are requested to provide your Tax File Number (TFN), Australian Business Number (ABN) or exemption code, and failure to quote an ABN or TFN will result in tax being withheld by the Trustee on distributions paid to the Investor at the highest marginal tax rate plus Medicare levy. It is not compulsory for a Potential Investor to quote an TFN or ABN.

An existing investor in the Fund can apply for more units by submitting a new Application Form. The minimum additional investment amount is \$100,000.

8.4 Redemptions of Units and Redemption Price

The Trustee is not obliged to satisfy any redemption requests and Investors have no right to redemption except as determined by the Trustee, in its sole discretion.

Investors wishing to redeem all or part of their Units may complete and send the redemption request form to the Registrar. Subject to the redemption limitations described in this IM and the Constitution, investors of the Fund can request to withdraw all or a part of their Units

At the election of the Trustee, Redemption requests may be chronologically added to the Fund's Redemption List. The Fund may accept redemption requests received or those on a Redemption List at the Trustee's discretion. An accepted redemption request will generally be paid out within 7 Business Days of the end of the month in which it was accepted.

Subject to the Trustee accepting a redemption request, the Trustee will only pay a redemption if it has available cash to pay the redemption, taking into account any commitments, expenses and liabilities of the Fund (**Available Cash Balance**).

The Trustee will pay accepted redemption requests in order of the date that the redemption request was added to the Redemption List. If the amount of the accepted redemption request at the top of the Redemption List is greater than the Available Cash Balance, then that redemption request may be partly paid and the remaining redemption amount will be carried over to the following month.

Each other accepted redemption request in the Redemption List which is not paid within 7 Business Days of the end of the month in which it was accepted will be carried over until the following month. The Investor can request to remove their redemption request from the Redemption List in writing to the Trustee, however, it will be at the Trustee's sole discretion as to whether they accept the removal of the redemption request from the Redemption List.

The Trustee may determine whether or not to accept a redemption request where:

- the Units to be redeemed have an aggregate Redemption Price of less than the minimum redemption amount set by the Trustee from time to time, which is at the date of this IM, \$100,000.00; or
- the redemption request would result in an Investor holding remaining Units having an aggregate NAV of less than the Minimum Investment Balance set by the Trustee from time to time, which is at the date of this IM \$200,000.00.

The Redemption Price of a Unit is determined in accordance with the Constitution which, in general terms, is equal the NAV of the Fund, less any transaction costs representing the sell spread, divided by the number of units on issue calculated as at the Specified Time. Investors should note that the Net Asset Value is calculated on the basis of valuations which are subject to fluctuation.

Once your redemption request is received and accepted, your instruction may be acted on without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

The Trustee reserves the right to ask for the production of original documents or other information to authenticate any redemption request. The Trustee will not be responsible for any miss-delivery or non-receipt of any facsimile or email. Facsimiles and emails sent to the Trustee shall only be effective when actually received in readable form by the Trustee. In the case of miss-receipt or corruption of any message, you will be required to re-send the documents.

The Trustee may compulsorily redeem the Units of any investor at any time without the need for a redemption request. This is likely to happen if the Fund has excess cash that it cannot deploy in a suitable credit investment in the near term. The Trustee will endeavour to provide Investors that have Units compulsorily redeemed during a period with first priority for an opportunity to reinvest in Units in the Fund when the Fund requires inflows.

8.5 Distributions

The Trustee intends to pay distributions quarterly within 20 Business Days of the end of September, December, March and within 2 calendar months of the end of June however there is no guarantee distributions will be paid and there may be periods in which no distributions are made or the Trustee may pay interim distributions.

Investors are required to nominate an Australian domiciled bank or other deposit account that can receive telegraphic transfers, either in their Application Form or by contacting the Registrar.

The Trustee may amend the distribution frequency without notice. An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of Units held by the investor at the end of the distribution period, and the distributable income. Investors should note that immediately after a Distribution the Unit value may fall to reflect the payment of the distributions.

Investors can elect to have their distribution paid to a nominated Australian domiciled bank account or reinvested into the Fund in the Application Form. If no election is made on the Application Form then an Investor's distributions will be automatically paid into their nominated account after the period end.

Investors may subsequently change this election by contacting the Registrar. If the Registrar receives notice from an Investor changing their election at least 10 Business Days prior to the end of a quarter it will apply from the next Distribution.

Where an Investor has elected to reinvest their distribution in the Fund, the following rules apply.

- The election applies to all of the Investors Units. It is not possible to elect partial reinvestment.
- The Application Price for Units received through a distribution reinvestment will be calculated based upon the Net Asset Value immediately after the end of the last day of the relevant distribution period. In other words, it is the post distribution price.
- Units issued through a distribution reinvestment are taken to have been issued on the day the distribution is paid.
- If the Investor submits a redemption request in relation to any of its Units, any distributions in respect of those Units the subject of the redemption request will be paid in cash into the Investor's nominated bank account and not reinvested.
- If the Investor has elected to reinvest their distributions in the Fund and that Investor transfers its Units those Units will no longer participate in the distribution reinvestment option and the transferee will be provided an opportunity to make their own election with respect to the payment of distributions;
- At any time in its sole discretion, the Trustee may notify Investors that the distribution reinvestment option has been amended, suspended or has ceased and that subsequent distributions will be paid in cash into Investors' nominated Australian domiciled bank or other deposit accounts and not reinvested.

8.6 Cooling-off period

There is no cooling off period. Once an application has been received and accepted by the Trustee, the Applicant is bound to become an Investor. The Trustee reserves the right to accept or reject applications at its absolute discretion. If an application is rejected, the Trustee will repay the application money to the applicant, less any applicable taxes and bank fees.

9. *Keeping Track of Your Investment*

9.1 Enquiries

If you have any questions regarding the Fund you can call Alexander Funds Management Pty Ltd as Investment Manager on +61 3 9039 5050 or email AHYF@alexanderfunds.com.au

9.2 Reports

The Trustee will make the following report or statements available to all Investors:

- A monthly market value statement.
- A distribution statement after each distribution.
- An annual taxation statement.
- A confirmation when you make an investment, withdrawal or transfer.

10. Fees and Other Expenses

The fees listed below are applicable for all investments in the Fund. Unless otherwise specified, fees are disclosed exclusive of GST and any applicable tax credits.

The Trustee will provide advanced notice of any proposed fee changes. The Trustee may (in its absolute discretion) agree with any Investor to a different fee arrangement to the fees set out in this IM.

10.1 Management Fee

The Investment Manager has economically capped the Management Fee and ordinary expenses of the Fund at 1.25% p.a. of the NAV of the Fund. This means that the Management Fee payable to the Investment Manager is the balance of the 1.25% of the NAV of the Fund, after payment of the Trustee fees, Administrator's fee, Registrar's fee and other ordinary expenses of the Fund. This Management Fee is payable to the Investment Manager of the Fund for managing the assets and overseeing the operations of the Fund. The Management Fee is calculated and accrued monthly and reflected in the Unit Price until it is paid. The Management Fee for a particular month is paid monthly in arrears at the start of the following month.

10.2 Performance Fee

In addition to the Management Fee, a Performance Fee is payable to the Investment Manager where the Gross Return of the Fund less the Management Fee, Trustee fees, Administrator's fee, Registrar's fee and other ordinary expenses of the Fund (grossed up for GST and net of RITC) exceeds the Fund Benchmark. The Performance Fee is 25% of this excess, calculated monthly and paid quarterly in arrears from the Fund and calculated based on the NAV of the Fund over the relevant period.

No Performance Fee is payable until any accrued underperformance (in dollar terms) from prior periods has been made up (this feature is sometimes referred to as a High Water Mark).

The calculation of the Performance Fees is complex, but the following example is a simplified version of that calculation.

If:

- the NAV of the Fund is \$1,000,000;
- the Management Fee, Trustee fees, Administrator's fee, Registrar's fee and other ordinary expenses of the Fund are equal to 1.25% per annum of the NAV of the Fund (which, for illustrative purposes, has been adjusted to 1.2813% grossed up for GST and net of RITC);
- the Fund achieves a Gross Return of 12% (on an annualised basis) in the quarter; and
- the Fund Benchmark is calculated at 9% (on an annualised basis) in the quarter,

then the Performance Fee payable in the quarter would be \$1,074.19 as demonstrated in the below calculation:

$$\{(\$1,000,000 \times 12\%) - (1,000,000 \times 1.2813\%) - (1,000,000 \times 9\%)\} / 4 \times 25\%.$$

Please note that this example is for illustrative purposes only and the actual impact of RITC on fees payable may change in the future.

10.3 Trustee fee, fund administration fee and registry fee

Under the Constitution, the Trustee may charge an annual fee of \$100,000 per annum for its services. Once the gross value of the assets of the Fund is \$5,000,000.00 or greater, the Trustee is entitled to a trustee fee of up to 2 percent per annum of the Gross Asset Value. As at the date of this IM, the Gross Asset Value of the Fund is more than \$5,000,000.

The Trustee Fee and Administration Fee each include a Minimum Fee, plus a tiered fee calculated as a number of basis points based on the total assets of all funds where the Investment Manager has been appointed as investment manager and OFSL, or a related entity acts as trustee or Administrator. The Registry Fee includes a Minimum Fee and activity based fees.

As at the date of this IM, the agreed Trustee Fee is less than the fee to which the Trustee is entitled under the Constitution.

The Minimum Fee is increased every year after year 1 by the greater of 3% or the annual CPI figure.

The fees cover trustee related services, administration and registry.

10.4 Entry/Exit Fee

Entry fees are not charged on applications and exit fees are not charged on redemptions.

10.5 Operating costs and expenses

The Trustee and the Investment Manager are entitled to be paid or reimbursed for costs and expenses associated with the operation of the Fund, such as the costs associated with the administration or distribution of income, fees for the audit of the Fund, fees to other service providers and other expenses properly incurred in connection with performing their duties and obligations in the day-to-day operation of the Fund.

As at the date of this IM, expenses such as Trustee fees, administration fees, registry fees and other fees such as audit fees, and other ordinary expenses of operating the Fund are paid by the Fund before the Management Fee is calculated and paid to the Investment Manager such that the maximum payable by the Fund for these expenses and the Management Fee is 1.25% of the NAV of the Fund.

Transaction costs and other unusual expenses (if they are incurred in future), such as litigation costs or the costs of convening unitholder meetings are an additional expense to the Fund.

The Trustee is entitled to be paid a fee and be reimbursed its expenses from the assets of the Fund in accordance with the terms of the Constitution.

10.6 Transactional costs

There may be specific transactional fees and other expenses that may apply to an investment by the Fund, for example:

- valuation and search fees;
- due diligence costs;
- legal fees.

These amounts will be paid or reimbursed as costs and expenses associated with the operation of the Fund.

10.7 Goods and services tax

Unless otherwise stated, all fees quoted in this IM are quoted exclusive of GST. The Fund may not be entitled to claim a full input tax credit in all instances, but may be entitled to claim a reduced input tax credit.

10.8 Waiver, deferral or rebate of fees and expenses

The Trustee or the Investment Manager 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.

11. *Taxation*

Neither the Investment Manager nor the Trustee provide financial or tax advice, nor have they obtained taxation advice specific to the Offer the subject of this IM. As such, this IM cannot address all of the taxation issues which may be relevant to the Investor. The Investor must take full and sole responsibility for their investment in the Fund, the associated taxation implications arising from that investment and any changes in those taxation implications during the course of that investment.

Before investing in the Fund, you should obtain your own independent tax advice, which takes into account your own circumstances. In particular, you should seek advice on income tax and interest withholding tax liabilities arising out of the investment.

Tax File Number (TFN) and Australian Business Number (ABN)

It is not compulsory for an Investor to provide the Trustee their TFN or ABN. If an Investor is making this investment in the course of a business or enterprise, the investor may quote an ABN instead of a TFN.

If an Investor does not provide an ABN or TFN or claim an exemption this may require the Trustee to withhold tax at the top marginal rate, plus applicable levies, on gross payments including distributions of income to the Investor. The Investor may be able to claim a credit in their tax return for any TFN or ABN tax withheld.

By quoting their TFN or ABN, the Investor authorises the Trustee to apply it in respect of all the investor's investments with the Fund. If the investor does not want to quote their TFN or ABN for some investments, the Trustee should be advised.

12. *Other Important Information*

12.1 **Summary of Important Documents**

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

- Constitution.
- Investment Management Agreement.

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

12.2 **Constitution**

The Fund was established pursuant to the Constitution dated 11th October 2021 as amended from time to time. The Constitution is the primary document which governs your rights and obligations as a Unit holder in the Fund. It contains extensive provisions about the legal obligations of the parties and the rights and powers of each. We recommend that Investors read the Constitution prior to making an investment in the Fund.

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 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.

By way of overview, the Constitution sets out matters relating to:

- Unit pricing which changes from time to time.
- Rights to redemptions and redemption pricing and what you must do to redeem your investment.
- Rights, powers and obligations of the Trustee, including borrowing and investment rights, and how these can be exercised.
- Indemnities in favour of the Trustee.
- When the Fund can terminate.
- When and how the Trustee can retire or be removed.
- Calling Unit holder meetings.

Under the Constitution, the Trustee may issue classes of units with different rights attached. Different classes of units may attract different management fees and performance fees.

The Trustee may vary the Constitution from time to time without the Investors' approval if the Trustee reasonably considers the changes will not adversely affect Investor's rights otherwise approval of Unit holders (approval being 75% by value of Units voted) is required.

12.3 **Investment Management Agreement**

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

The Investment Management Agreement contains provisions dealing with matters such as the Investment Manager's obligations to report to the Trustee, and the agreement sets out the fees payable to the Investment Manager for its services.

The Investment Management Agreement will remain in force until the Fund is wound up, unless the agreement is terminated earlier in accordance with its provisions. The agreement can be terminated by the Trustee if the Investment Manager is in

material breach of the agreement, and that breach has not been remedied after a certain time. There are also provisions allowing the Trustee to terminate if, for example, the Investment Manager becomes insolvent.

Under the Investment Management Agreement, the Investment Manager can require the Trustee to retire as trustee at any time on not less than 90 days' notice. In that case, the Investment Manager would select an alternative Trustee and the Trustee would nominate that entity as its replacement so long as the Trustee considers the incoming trustee would be appropriate. Under the Constitution for the Fund, this process would be treated as a voluntary retirement of the Trustee and Investors would be provided with notice of the retirement of the Trustee, but not be entitled to vote on the replacement Trustee.

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.

12.4 Register of Unit Holders

The Register of Unit Holders is maintained by the Registrar on behalf of the Trustee.

12.5 Administrator, Registrar and custody of assets

The Trustee has appointed Unity Funds Services Pty Ltd ACN 141 757 360 (**UFS**) as the Fund's Administrator to perform certain administrative, accounting, unit pricing, registrar and transfer agency services for the Fund.

The Trustee has appointed One Registry Services Pty Limited ACN 146 747 122 (**ORS**) to perform registry services for the Fund.

UFS and ORS have not been involved in the preparation of this IM or caused or otherwise authorised the issue of this IM. UFS and ORS have not independently verified the information contained in this IM and, accordingly, accept no responsibility for the accuracy or completeness of the information. UFS and ORS do not guarantee the success or the performance of the Fund nor the repayment of capital or any particular rate of capital or income return.

As at the date of this Information Memorandum, the Trustee has replaced Alexander Funds Management Pty Ltd as trustee of the Fund. The Trustee will, when all of the assets of the Fund have been transferred to it by Alexander Funds Management Pty Ltd, hold the assets as an incidental service to its role as trustee. After a transitional period when the assets will be held by Alexander Funds Management Pty Ltd as bare trustee for the Trustee while the assets are transferred to the Trustee, it is intended that the Trustee will hold all of the assets of the Fund as well as cash accounts with an Australian Deposit Taking Institution.

12.6 Relationships with Related parties

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

The Registrar is a related body corporate of the Trustee and the Administrator is an associated entity of the Trustee. The agreements between the Registrar and the Trustee and the Administrator and the Trustee were first entered into between Alexander Funds Management Pty Ltd (when it was the Trustee) with each of the Registrar and the Administrator and are on arms' length terms.

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

Each of the Trustee and the Investment Manager have policies on proposed or potential related party transactions to ensure that any actual or potential conflicts of interest are identified and appropriately dealt with.

Parties related to the Investment Manager and the Trustee may invest in the Fund from time to time.

12.7 Conflicting Investor interests

Investors may have conflicting investment, tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring of acquisitions and disposals of the Fund's assets. Conflicts may arise in connection with decisions made by the Trustee or the Investment Manager regarding an investment that may be more beneficial to one Investor than another, especially with respect to tax matters or the potential to provide co-investment opportunities, as described above. In structuring, acquiring and disposing of investments the Trustee and the Investment Manager may consider the investment and tax objectives of the Fund and its Investors as a whole, not the investment, tax, or other objectives of any Investor individually.

12.8 Referral Fees

The Trustee does not pay Referral Fees.

The Investment Manager does not generally pay Referral Fees, but reserves the right to do so. In circumstances where they are paid, these fees and their terms are negotiated between the Investment Manager and either the Investor or a third party with a relationship with both the Investment Manager and the Investor. Where Referral Fees are negotiated between a third party and the Investment Manager, these fees will generally include conditions requiring the benefits to be passed on to you as the investor. Please ask your contact for investing in the Fund for details of payments (if any) that they will receive from the Investment Manager.

12.9 Ethical considerations, labour standards and environmental impact

Whilst the Investment Manager and the Trustee intend to operate the Fund in an ethical and sound manner, the Fund's investment criteria does not include giving additional weight to labour standards, environmental, social or ethical considerations.

12.10 Privacy, collection and disclosure of personal information

The Privacy Act 1988 (Cth) regulates, among other things, the collection, disclosure and access to personal information. Certain laws require us to collect, store and disclose information about you (including personal information), for example, AML/CTF Law, the Corporations Act, the Foreign Account Tax Compliance Act (**FATCA**) and the Tax Laws Amendment (Implementation of the Common Reporting Standard) Act 2016 (Cth) (**CRS**).

We may be required under the AML/CTF Law to provide information about you (including personal information) to the Australian Transaction Reports and Analysis Centre (**AUSTRAC**), the body responsible for regulating the AML/CTF Law. In respect of investors who are ordinarily resident in a country other than Australia, both FATCA and CRS may require us to collect and disclose to the Australian Taxation Office information about you (including personal information) obtained from you.

If you do not provide the information requested in our application form, we will not be able to process your application (including any application for additional units) and your application may be delayed or rejected. Where applications are delayed or refused, the Trustee will refund any money paid by the applicant to the Trustee, but we are not liable for any loss you suffer (including consequential loss) as a result. Alternatively, if we accept your application to the Fund when you have not provided all of the requested information, we may provide information about you to the relevant regulator.

We will be required to share information about you (including personal information) with service providers to the Trustee in respect of the Fund (including the Manager) to ensure you receive the appropriate information and assistance in respect of your holding in the Fund.

By applying to invest in the Fund, you consent to your information (including your personal information) being collected, used, and disclosed by the Registrar and by the Trustee for the purposes disclosed above and in their respective Privacy Policies.

You are entitled to access, correct, and update all personal information we hold about you. You can contact us to find out what personal information we hold about you or if you have any concerns about the completeness or accuracy of the information we hold. If you want us to correct any personal information we hold, please contact us using the details in this IM.

A copy of our Privacy Policy is available on our website at www.oneinvestment.com.au and a paper copy will be sent to you free of charge on request.

12.11 Automatic Exchange of Information (AEOI)

We intend to meet any requirements imposed on the Fund under Australian legislation designed to give effect to the AEOI regimes. Australia's obligations under AEOI regimes include legislation designed to give effect to the FATCA and the Organisation for Economic Co-operation and Development's CRC. As such, we may collect certain information from you; report payments made in respect of your investment and retain information to meet record keeping requirements. It is recommended you consult with your tax adviser to discuss the impact of these AEOI regimes may have on you.

12.12 Complaints

The Trustee takes complaints seriously and aims to resolve all complaints as quickly as possible. In the first instance, if you have a complaint, then you should notify the Trustee immediately using the following contact details:

Address: Level 16, Governor Macquarie Tower

1 Farrer Place, Sydney NSW 2000

Telephone: (02) 8277 0000

Email: complaints@oneasset.com.au

Post: Complaints Officer

One Investment Group

PO Box R1471, Royal Exchange, NSW 1255

Once the Trustee receives a complaint, the Trustee will acknowledge it as soon as practicable and investigate the complaint with a view to resolving it and responding as soon as possible.

13. Glossary of Terms

Defined Term	Meaning
ABN	Australian Business Number.
Administrator	Unity Fund Services Pty Ltd ACN 146 747 122
AFSL	Australian financial services licence issued by ASIC under section 913B of the Corporations Act.
AML/CTF Law	Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).
Application Form	The Application Form accompanying this IM, used by investors who wish to subscribe for units directly in the Fund.
Application List	The list which may be maintained by the Administrator to record the Potential Investors applying for Units in the Fund.
Application Price	The application price of a Unit, as determined in accordance with the Constitution.
ASIC	Australian Securities and Investments Commission.
Available Cash Balance	Any available cash of the Fund after taking into account any commitments, expenses and liabilities of the Fund.
Business Day	Any day (except any weekend) on which banks are open for general banking business in Sydney and Melbourne, Australia.
Constitution	The Fund was established pursuant to the Constitution dated 11 October 2021 as amended from time to time. The Constitution governs your rights and obligations as a Unit holder in the Fund and Unit holders should read the Constitution prior to making an investment in the Fund.
Corporations Act	The Corporations Act 2001 (Cth) and Corporations Regulations 2001 (Cth), as amended from time to time.
Custodian	One Fund Services Ltd ACN 615 523 003 is holding the assets under self custody as an incidental service to its role as Trustee
Derivatives	Generally, a derivative is a financial contract whose value depends upon, or is derived from, the value of an underlying asset, reference rate or index. Derivatives may relate to stocks, bonds, interest rates, currencies or currency exchange rates, commodities, and related indexes. Examples include options contracts, futures contracts, options on futures contracts, swap agreements (including long and short credit default swaps and forward swap spread locks) and options on swap agreements.
Distribution	The amount that is paid to investors after the end of a distribution period. This generally includes any income and realised capital gains (if any).
Fund	Alexander High Yield Fund.
Fund Benchmark	The greater of: 1. the Bloomberg Ausbond Bank Bill Index + 6% per annum; or 2. 8.00% per annum.
Gross Return	Return of the Fund before Management Fees or Performance Fees.
GST	Goods and Services Tax.
High Water Mark	The highest cumulative outperformance of the Fund over the Fund Benchmark at the end of any quarter.

IM	Information Memorandum issued by the Trustee including any supplementary information which the Trustee may issue.
Investment Committee	The Investment Committee of the Investment Manager.
Investment Manager	Alexander Funds Management Pty Ltd.
Investment Strategy	The strategy that the Investment Manager adopts for investing the assets of the Fund.
Investors	An Investor in the Fund.
Management Fee	The management fee payable to the Investment Manager.
Minimum Investment Balance	The minimum amount that an Investor can hold in Units in the Fund without the Trustee's approval.
Net Asset Value or NAV	The value of assets of the Fund less the value of the liabilities of the Fund, as further described in the Constitution.
ORS	One Registry Services Pty Limited
Performance Fee	The performance fee payable to the Investment Manager for outperforming the Fund Benchmark net of the Management Fee and ordinary expenses of the Fund.
Potential Investor	A person who is considering an investment in the Fund. An investor that has applied for Units in the Fund using the required Application form but is yet to be issued Units is also called a Potential Investor in this IM.
Qualifying Investor	A person who qualifies as a wholesale clients (as defined in section 761G(7) of the Corporations Act)
Redemption List	The list maintained by the Administrator to record the redemption requests submitted for the Fund.
Redemption Price	The redemption price of a Unit, as determined in accordance with the Constitution.
Referral Fees	Introductory fees or commission rebate paid to a party that has referred you to the Fund and/or arranging for you to invest in the Fund where that party has been engaged by the Investment Manager to provide services which include the introduction of Potential Investors.
Register of Unit Holders	A list of the Unit holders of the Fund maintained by the Registrar.
Registrar	One Registry Services Pty Limited ACN 141 757 360
RITC	Reduced Input Tax Credit.
Transaction Costs	an amount that the Trustee considers represents a fair allowance for brokerage, stamp duty and other costs of acquisition (where calculating Application Price) or disposal (where calculating Redemption Price) of investments, and, subject to the Corporations Act, the Trustee may in connection with any particular application or request for redemption of Units deem these costs to be a lesser sum or zero.
Trustee	One Fund Services Ltd ACN 615 523 003
TFN	Tax File Number.
UFS	Unity Fund Services Pty Ltd
Unit	A unit of the Fund.
Unit Price	NAV divided by the number of Units on issue.