

Information Memorandum

TYGA Investment Australia Property Fund

Trustee

One AR Pty Ltd
ACN 602 601 776

Manager

Hanyu Capital Management Consultancy Pty Ltd
ACN 615 195 125

Issue date

23 December 2016



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Notice

This Information Memorandum (IM) is dated 16 December 2016 and is issued by One AR Pty Ltd ACN 602 601 776 authorised representative number 471702 (Trustee, we or us) which is the trustee of Tyga Investment Australia Property Fund (Fund). The purpose of this IM is to provide information for prospective Investors to decide whether they wish to invest in the Fund.

The Trustee has appointed Hanyu Capital Management Consultancy Pty Ltd ACN 615 195 125 (Manager) as the investment manager of the Fund. The Manager is an authorised representative of One Investment Administration Ltd ACN 072 899 060, the holder of AFS Licence number 225064.

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 by the *Corporations Act 2001* (Cth) (Act). This IM has not been lodged with the Australian Securities and Investments Commission (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 Act) or sophisticated investors (as defined in section 761GA of the Act) (collectively, 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.

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.

NO RESPONSIBILITY FOR CONTENTS OF DOCUMENT

To the maximum extent permitted by law, neither the Trustee nor the 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 prospective 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 (02) 8277 0000. To the extent there are any inconsistencies between the Constitution and this IM, the Constitution will prevail.

NOT REGULATED BY APRA

The Trustee is not authorised under the *Banking Act 1959* (Cth) (Banking Act) and is not supervised by the Australian Prudential Regulation Authority, nor are investments in the Fund covered by the deposit or protection provisions in section 13A of the Banking Act.

FORWARD-LOOKING STATEMENTS

This IM includes forward-looking statements that may contain the words “believe”, “intend”, “estimate”, “expect” 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.

INDEPENDENT ADVICE RECOMMENDED

Prospective Investors are not to construe the contents of this IM as tax, legal or investment 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. Neither the Trustee nor the Manager, 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 committed capital nor do they make any guarantees about the timing of repayment of committed capital, which may be significantly delayed.

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 Manager or their related entities 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 to our website www.oneinvestment.com.au/Tyga, or calling us on (02) 8277 0000.

CONFIDENTIALITY

This IM is confidential and is being provided to prospective 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.

DIRECTORY

Trustee

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Manager

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Administrator

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Registrar

One Registry Services Pty Limited
ACN 141 757 360
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Sydney NSW 2000
Telephone: (02) 8188 1510
Website: www.oneregistryservices.com.au
Email: info@oneregistryservices.com.au

Key Features

The table below is only a summary of the key features of an investment in the 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.

About the Fund		Section
Fund	Tyga Investment Australia Property Fund	2.1
Trustee	One AR Pty Ltd ACN 602 601 776	1.1
Manager	Hanyu Capital Management Consultancy Pty Ltd ACN 615 195 125	1.2
Investment return objective	<p>The Fund's investment return objective is to seek to provide Investors with a total return of 8% to 10% per annum (including income and capital growth) on their Application Money (after all fees and costs but before tax).</p> <p>Please note that the above investment return objective is not a forecast. It is merely an indication of what the Fund aims to achieve on the assumption that the investment markets in which the Fund is invested remain relatively stable through the investment term.</p> <p>The Fund may not be successful in meeting its objective. Returns are not guaranteed nor is the return of capital.</p>	2.2
Investment strategy	<p>The Fund may invest in the following:</p> <ul style="list-style-type: none"> (a) Direct equity investments in commercial, hotel, retail, residential and industrial real property assets in Australia, including property development projects (Property Investments). (b) Loans secured by Real Property Mortgages (Loan Investments). (c) Term deposits with Australian ADIs and at-call cash management accounts with Australian ADIs, and Australian managed investment schemes which invest in these types of investments (Cash Investments). (d) Financial products with high liquidity, such as stocks, bonds, notes and securities listed on the ASX, and Australian managed investment schemes which invest in these types of investments (Liquid Investments). <p>Although the Fund's investment mandate is broad, initially funds will solely be invested in Cash Investments or Liquid Investments until the Manager determines suitable investment opportunities in Property Investments and/or Loan Investments are available.</p> <p>See section 3 for further information on Property Investments and section 4 for further information on Loan Investments.</p>	2.3
Who can invest?	<p>The Offer is only available to persons who qualify as wholesale clients (as defined in section 761G(7) of the Act) or sophisticated investors (as defined in section 761GA of the Act) (collectively, Qualifying Investors).</p> <p>The Trustee will not issue Units to a person unless it is satisfied that the</p>	2.4

About the Fund	Section
	person is a Qualifying Investor.
Units	As of the date of this IM, there will be one class of Units in the Fund. 2.5
Unit prices	<p data-bbox="408 365 1452 432">For a period of 12 months from the date of this IM, the application price of Units is \$1.00 per Unit.</p> <p data-bbox="408 443 1452 510">Subsequently, the Fund's Unit price will be calculated every 12 months, and will be based on the most recent valuation of the Fund's assets.</p> <p data-bbox="408 521 1452 633">If a withdrawal request is accepted or if a withdrawal offer is made by the Trustee, then the withdrawal price of Units will be based on the most recent valuation of the Fund's assets.</p> <p data-bbox="408 645 1452 723">After the initial 12 month period from the date of the IM, the current Unit price of the Fund is available by contacting the Trustee.</p>
Issue of Units	<p data-bbox="408 745 1452 846">Units are generally issued weekly after both the Application Form and Application Money have been received and accepted by the Registrar on behalf of the Trustee.</p> <p data-bbox="408 857 1452 992">The cut-off time for receipt by the Registrar of applications is 2.00pm (Sydney time) on each Wednesday (if the Wednesday is not a Business Day, then the cut-off time for receipt of applications will occur on the next Business Day).</p>
Minimum investment amount and minimum balance	<p data-bbox="408 1014 1452 1126">The minimum initial investment is \$1 million. Following the minimum initial investment, Investors may invest additional funds in the Fund in multiples of \$500,000.</p> <p data-bbox="408 1137 1452 1182">Investors must maintain a minimum balance of \$1 million at any time.</p>
Minimum Investment Term	The Minimum Investment Term is three years from the date of this IM. No withdrawals are permitted during the Minimum Investment Term. 2.9
Distributions	<p data-bbox="408 1339 1452 1406">Distributions will be made at the discretion of the Trustee. Distributions are unlikely to be paid during the Minimum Investment Term.</p> <p data-bbox="408 1417 1452 1485">The Fund will only pay distributions from cash from operations and reserves (not borrowings).</p> <p data-bbox="408 1496 1452 1529">There is no guarantee that income distributions will be paid.</p>
Distribution reinvestment plan	The Fund has a distribution reinvestment plan available. Investors have the option of choosing whether or not to participate in the Fund's distribution reinvestment plan. If no election is made on the Application Form, then an Investor's distributions will automatically be reinvested in the Fund. 2.11
Withdrawals	<p data-bbox="408 1709 1452 1742">Withdrawals are not permitted during the Minimum Investment Term.</p> <p data-bbox="408 1753 1452 1955">Once the Minimum Investment Term has elapsed, if an Investor wishes to withdraw from the Fund then they must provide at least 18 months' notice by lodging a withdrawal request. Provided there is sufficient liquidity and the Investor's withdrawal request is accepted by the Trustee, an Investor's withdrawal proceeds will be paid within 19 months of lodgement of their withdrawal request.</p> <p data-bbox="408 1966 1452 2022">To lodge a withdrawal request, complete a redemption request form available at www.oneregistryservices.com.au/investors/ and send it to the</p>

Registrar.

Please note there is no guarantee the Trustee will be able to satisfy an Investor's withdrawal request.

Additionally, the Trustee may (at its discretion) make withdrawal offers once the Minimum Investment Term has elapsed. If a withdrawal offer is made by the Trustee then Investors will have 21 days in which to accept it. A withdrawal offer made by the Trustee will specify the amount of funds available to fund the withdrawal offer.

In the event there is not sufficient liquidity to satisfy all Investors' withdrawal requests made in response to a withdrawal offer, then Investors' withdrawal requests will be satisfied on a pro-rata basis.

There are currently no withdrawal offers available.

Borrowings	The Fund may borrow. There is no specific gearing ratio being targeted by the Fund. At any point in time the Fund may have total gearing of up to 80% of its assets.	2.13
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. For further information about the specific risks associated with the Fund, see section 5.	5
Fees and other costs	<p>There are fees and expenses (plus GST, if applicable) payable in relation to the management of the Fund, including—</p> <ol style="list-style-type: none"> <li data-bbox="411 1093 571 1126">1. Entry fee <p data-bbox="459 1144 1310 1312">An entry fee of 1% of an Investor's gross investment monies, paid to the Manager. This fee is charged upon an Investor's initial investment in the Fund. An entry fee is not charged in respect of additional investments following an Investor's initial investment or in respect of distribution reinvestments.</p> <li data-bbox="411 1339 596 1373">2. Trustee fee <p data-bbox="459 1391 1310 1592">The Trustee is entitled to a fee payable out of the assets of the Fund. This fee is 0.08% per annum of the gross value of the Fund's assets (including the gross value of the assets of any sub entities, if relevant) subject to a minimum monthly fee of \$5,500 (indexed to the higher of 3% and CPI on 1 July each year). The minimum monthly fee will be reduced by \$1,000 per month for 12 months from 5 December 2016.</p> <li data-bbox="411 1619 660 1653">3. Management fee <p data-bbox="459 1671 1310 1805">The Manager is entitled to a management fee of 2% per annum of the gross value of the Fund's assets (including the gross value of the assets of any sub entities, if relevant), payable out of the assets of the Fund.</p> <li data-bbox="411 1832 660 1865">4. Performance fee <p data-bbox="459 1883 1310 1939">The Manager may be entitled to a performance fee in the following circumstances:</p> <ol style="list-style-type: none"> <li data-bbox="459 1957 1310 2020">(a) Each time a Property Investment is sold during the term of the Fund (Sale Event). 	6

- (b) If the assets of the Fund are sold for the purposes of winding up the Fund (Wind Up Event).
- (c) If the Manager is removed as investment manager of the Fund where either—
 - (i) the Trustee decides to terminate the Manager’s appointment in circumstances where it ceases to be the trustee of the Fund, or
 - (ii) a special resolution is passed by Investors at a properly convened Investors’ meeting of the Fund directing the Trustee to terminate the Manager’s appointment (each a Removal Event).

Please see section 6.4 for further information about the performance fee.

5. Operating costs and expenses

The Trustee and the 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, the Administrator’s fee, the Registrar’s fee, 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.

The above is a summary only of the key fees payable in relation to the Fund. There are specific transactional fees and other expenses that may apply to an investment in the Fund.

Additional fees may be payable from the assets of the Fund if the appointment of the Trustee, the Manager or the Administrator is terminated.

For full information about the fees and expenses payable, see section 6.

Tax Information	Before investing in the Fund, you should obtain your own independent tax advice, which takes into account your own circumstances.	7
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1. Management of the Fund

1.1 About the Trustee

One AR Pty Ltd is a subsidiary 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 Act, are licensed to conduct financial services businesses and to act as responsible entities for registered schemes and as trustees for unregistered schemes. OIG's licensed entities hold over 200 responsible entity/trustee roles, administering a range of asset classes including hedge funds, real estate, private equity, fixed income, credit and equities. The total value of the assets within these trusts is in excess of \$10 billion.

The founders of OIG, Frank Tearle and Justin Epstein, have in excess of 30 years' collective experience in mergers and acquisitions, capital markets, funds management and corporate governance. OIG's compliance committee comprises a majority of independent members each with over 20 years' relevant experience in areas including funds management, investment banking, capital markets, chartered accounting and compliance.

Capabilities

OIG's capabilities include—

- (a) responsible entity services
- (b) trustee services
- (c) registry services
- (d) fund administration and taxation services, and
- (e) custody services.

AFS Licence

One AR Pty Ltd is an authorised representative licensee (authorised representative number 471702) of One Investment Administration Ltd (AFS licence number 225064).

1.2 About the Manager

Hanyu Capital Management Consultancy Pty Ltd has been appointed as the investment manager of the Fund.

The Manager is a newly established fund management and investment consultancy service company that provides investment advice to various types of funds, including the Fund. The Manager will endeavour to diligently and efficiently identify, select, and assess investment opportunities. The Manager's main role is to implement the investment strategy of the Fund to generate returns for Investors.

The key members of the Manager's investment team are set out below.

Raymond Huang

Chief Investment Manager

Mr Huang has over 10 years' experience in financial services, obtained from working as senior analysts at major investment banks in Australia including Macquarie Bank (Macquarie Securities Group), Deutsche Bank, and Challenger Financial Services Group. Mr Huang has a Master of Commerce degree with majors in Finance and Economics from the University of Sydney, and a Bachelor of Civil Engineering degree from Zhejiang University, one of the top 3 universities in China.

Martin Zhang

Chief Legal Counsel

Mr Zhang is a qualified lawyer in both Australia and China, and the managing partner for the Australian operation of a Chinese headquartered international law firm, W&H Lawyers. Mr Zhang has been specialising in property law practice for the past five years, during which Mr Zhang has advised many high net worth individual property investors as well as prominent property investment enterprises from China. Mr Zhang has a Bachelor of Commerce and a Bachelor of Law Degree from the University of Melbourne.

2. Details of the Offer

2.1 *The 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 Act. It is an unlisted 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 working of 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 provisions of 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 Trustee has appointed the Manager as the investment manager of the Fund pursuant to the Investment Management Agreement.

2.2 *Investment return objective*

The Fund's investment return objective is to seek to provide Investors with a total return of 8% to 10% per annum (including income and capital growth) on their Application Money (after all fees and costs but before tax).

Please note that the above investment return objective is not a forecast. It is merely an indication of what the Fund aims to achieve on the assumption that the investment markets in which the Fund is invested remain relatively stable through the investment term.

The Fund may not be successful in meeting its objective. Returns are not guaranteed nor is the return of capital.

2.3 *Investment strategy*

The Fund may invest in the following:

- (a) Direct equity investments in commercial, hotel, retail, residential and industrial real property assets in Australia, including property development projects (Property Investments).
- (b) Loans secured by Real Property Mortgages (Loan Investments).
- (c) Term deposits with Australian ADIs and at-call cash management accounts with Australian ADIs, and Australian managed investment schemes which invest in these types of investments (Cash Investments).
- (d) Financial products with high liquidity, such as stocks, bonds, notes and securities listed on the ASX, and Australian managed investment schemes which invest in these types of investments (Liquid Investments).

Although the Fund's investment mandate is broad, initially funds will solely be invested in Cash Investments or Liquid Investments until the Manager determines suitable investment opportunities in Property Investments and/or Loan Investments are available.

See section 3 for further information on Property Investments and section 4 for further information on Loan Investments.

2.4 Qualifying Investors

The Offer is only available to persons who qualify as wholesale clients (as defined in section 761G(7) of the Act) or sophisticated investors (as defined in section 761GA of the Act) (collectively, Qualifying Investors). A Qualifying Investor is an Investor who—

- (a) invests \$500,000 or more in the Fund
- (b) provides a certificate from a qualified accountant (substantially in the form attached to the Application Form) that states 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
- (c) 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).

2.5 Units

As of the date of this IM, there will be one class of Units in the Fund.

The Trustee may in its absolute discretion, issue new classes of Units at any time. Different classes of Units may have different terms and rights attached such as different fees and investment amounts.

2.6 Unit prices

For a period of 12 months from the date of this IM, the application price of Units is \$1.00 per Unit. Subsequently, the Fund's Unit price will be calculated every 12 months, and will be based on the most recent valuation of the Fund's assets.

If a withdrawal request is accepted or if a withdrawal offer is made by the Trustee, then the withdrawal price of Units will be based on the most recent valuation of the Fund's assets.

After the initial 12 month period from the date of the IM, the current Unit price of the Fund is available by contacting the Trustee.

2.7 Issue of Units

Units are generally issued weekly after both the Application Form and Application Money have been received and accepted by the Registrar on behalf of the Trustee.

The cut-off time for receipt by the Registrar of applications is 2.00pm (Sydney time) on each Wednesday (if the Wednesday is not a Business Day, then the cut-off time for receipt of applications will occur on the next Business Day).

If the Trustee does not receive the Application Money in cleared funds by the cut-off time above and/or is not satisfied that it has received all relevant information required to process the Application Form, the Trustee may refuse to accept a prospective Investor's application.

Confirmation of an investment will normally be issued within five Business Days of the investment being processed.

2.8 *Minimum investment amount and minimum balance*

The minimum initial investment is \$1 million. Following the minimum initial investment, Investors may invest additional funds in the Fund in multiples of \$500,000.

Investors must maintain a minimum balance of \$1 million at any time.

2.9 *Minimum Investment Term*

The Minimum Investment Term is three years from the date of this IM. No withdrawals are permitted during the Minimum Investment Term.

2.10 *Distributions*

Distributions will be made at the discretion of the Trustee. Distributions are unlikely to be paid during the Minimum Investment Term.

The Fund will only pay distributions from cash from operations and reserves (not borrowings).

There is no guarantee that income distributions will be paid.

If you elect on the Application Form to receive income distributions from the Fund, then distributions will be paid into your nominated Australian domiciled bank account within 45 Business Days after the end of the calendar month in which the distribution was declared, except for the month of June where any distributions declared in that month will be paid within three months of 30 June.

2.11 *Distribution reinvestment plan*

Distributions may be reinvested in the Fund. Investors have the option of choosing whether or not to participate in the Fund's distribution reinvestment plan. Investors can subsequently change this election by contacting the Registrar. If no election is made on the Application Form then an Investor's distributions will automatically be reinvested in the Fund.

The issue price of Units will be the ex-distribution Unit price as on the last day of the calendar month in which the distribution was declared.

At any time, the Trustee may notify Investors that the distribution reinvestment option has ceased and that subsequent distributions will be paid in cash into an Investor's nominated Australian domiciled ADI or bank account and not reinvested.

2.12 *Withdrawals*

Withdrawals are not permitted during the Minimum Investment Term.

Once the Minimum Investment Term has elapsed, if an Investor wishes to withdraw from the Fund then they must provide at least 18 months' notice by lodging a withdrawal request. Provided there is sufficient liquidity and the Investor's withdrawal request is accepted by the Trustee, an Investor's withdrawal proceeds will be paid within 19 months of lodgement of their withdrawal request.

To lodge a withdrawal request, complete a redemption request form available at www.oneregistryservices.com.au/investors/ and send it to the Registrar.

Please note there is no guarantee the Trustee will be able to satisfy an Investor's withdrawal request. Additionally, the Trustee may (at its discretion) make withdrawal offers once the Minimum Investment Term has elapsed. If a withdrawal offer is made by the Trustee then Investors will have 21 days in which to accept it. A withdrawal offer made by the Trustee will specify the amount of funds available to fund the withdrawal offer.

In the event there is not sufficient liquidity to satisfy all Investors' withdrawal requests made in response to a withdrawal offer, then Investors' withdrawal requests will be satisfied on a pro-rata basis.

There are currently no withdrawal offers available.

2.13 Borrowings

The Fund may borrow. There is no specific gearing ratio being targeted by the Fund. At any point in time the Fund may have total gearing of up to 80% of its assets.

2.14 How to invest

To invest in the Fund you must complete the Fund's Application Form which is available on request from the Registrar on (02) 8188 1510 or info@oneregistryservices.com.au. The Application Form should be completed in accordance with section 10 of this IM.

The completed Application Form, together with your Application Money and supporting documentation, must be forwarded to the Registrar at the address noted on the Application Form.

3. Property Investments

Investment process for Property Investments

The Manager will employ a 6-stage investment process when considering Property Investments. The objective of this process is to deliver competitive returns, even during difficult markets.

(a) Market review

The investment process begins with a review of the target market, involving identification of Australian property that meets the Fund's investment criteria. The Manager will conduct research, review the target market and liaise with property managers and agents. The Manager will screen numerous potential property acquisitions and create its scope of potential properties to acquire, and will use parameters as outlined in this IM to determine if the properties meet the Fund's investment criteria.

(b) Preliminary review

During the preliminary review, the Manager will undertake the following tasks:

- (i) Initial investment analysis.
- (ii) Inspect properties identified through the initial market review.
- (iii) Initiate the preliminary due diligence process.
- (iv) Prepare market comparable analysis to determine the target markets.
- (v) Investment thesis and pricing.
- (vi) Identify key risks and mitigants.
- (vii) Due diligence.

Once a property investment opportunity has been shortlisted, a preliminary due diligence plan will be prepared.

The preliminary due diligence plan outlines:

- (i) The details of the asset to be acquired (size, location, cost, tenants, gross and net income).
- (ii) The strategic fit of the asset within the Fund.
- (iii) The preliminary funding strategy (equity and debt).
- (iv) The independent expert services required, including financial, design, technical, legal, town planning and environmental.
- (v) Asset due diligence requirements, proposed consultants and a cost budget.
- (vi) Proposed contractual arrangements.

(c) Due diligence process

Once preliminary approval is obtained from the Trustee, then a full due diligence process will be undertaken on the potential investment. As part of the process, particular attention is given to:

- (i) Obtaining an independent valuation which includes financial due diligence, legal due diligence and undertaking external party contract reviews.
- (ii) Conducting both environmental and technical due diligence compliance on the property.
- (iii) Determining the funding strategy through internal discussions and external communication with both potential tenants and banks.
- (iv) Identifying future long-term exit strategies.

(v) Determining pricing terms.

(d) Deliberation and decision

Once the Manager has compiled all due diligence findings, it will then finalise the property and legal due diligence as well as the acquisition gearing and post-acquisition strategy. Once this is complete, the Manager will prepare an investment proposal and seek final approval from the Trustee.

If the investment and pricing is approved, then the Manager will negotiate with the vendor. Once the final terms have been negotiated, the Manager will complete the acquisition of the property.

(e) Management and monitoring of investments

Part of the ongoing investment process requires the Manager to monitor all acquired property investments and oversee the property management, leasing, capital requirements and divestment of the portfolio.

Once the portfolio is established, the Manager will conduct regular reviews on the performance of assets and report to the Trustee on a monthly basis.

In the event the Trustee identifies any concerns with the performance of a particular asset, it will request the Manager to make an appropriate recommendation to address the concerns.

(f) Divestment decision

Should conditions exist where the Manager believes the sale of property would be in the best interest of the Fund, then if approved by the Trustee, the Manager will appoint an agent, manage negotiations and complete the disposal.

4. Loan Investments

4.1 *Lending guidelines*

The following table provides a summary of the key terms of the Fund's lending guidelines.

Depending on the Manager's views of the market conditions, property market cycles and various other conditions, these parameters vary from time-to-time. They may be changed by us without providing notification to you.

Loans	Loans will be made to approved borrowers in the following instances: <ul style="list-style-type: none">• As a senior lender to the borrower.• As a lender of mezzanine debt.
No related party loans	Loans will not be made to related parties of the Trustee or the Manager.
Borrower	Property developers in Australia. The Manager's assessment process will consider their experience as developers, their credit worthiness, any other lenders or secured parties that have already provided finance to the prospective borrower, and the nature of the security they are able to offer.
Geography	Any geographic region of Australia.
Sector	May be any type of property, including office, retail, industrial, residential, hotels, specialist property, land, construction or developments.
Amount	The minimum amount that will be lent to any 1 borrower will be \$500,000, subject to any lesser amount agreed by the Trustee. The maximum amount that will be lent to any 1 borrower will be \$5,000,000.
Loan to value ratio (LVR)	Loans offered are not expected to exceed a maximum LVR of 60%. The actual LVR for each loan will vary depending upon the Manager's assessment of the credit risk of the borrower and the nature of the property which is being offered as the subject of a Real Property Mortgage.
Term	The maximum term of a loan will be 10 years. Once repaid, prepaid or cancelled, the loan is not available for re-drawing.
Interest rate	The interest rate will be, at the Manager's election, either fixed at a rate per annum determined by the Manager, or variable. The actual interest rate charged will be set depending on the risk assessment of the borrower and market conditions at the time.
Default terms	Standard events of default including failure to pay amounts when due, breach of financial covenants and the insolvency of the borrower.
Real Property Mortgage	The Fund will hold a Real Property Mortgage over the relevant borrower's real property to secure each loan made by the Fund. A Real Property

	<p>Mortgage will be a first or second ranking mortgage (if registered).</p> <p>Not all Real Property Mortgages will be registered with the relevant land titles office. For example, where a senior creditor prohibits the registration of further mortgages or where the certificate of title is not produced by the time the Loan is made to the borrower. The key risk with not registering a Real Property Mortgage is that the borrower could deal with its real property without having to have the Trustee's consent, which would be required if the Real Property Mortgage is registered. This means that the borrower could sell the property or grant a mortgage to another party which, if registered, would take priority over the Fund's Real Property Mortgage. To seek to mitigate this risk, where the Fund's Real Property Mortgage is not registered, the Trustee will lodge a caveat over the borrower's real property.</p>
Security Interests	The Trustee may take other forms of security from a borrower referred to as Security Interests, which may include general security agreements, specific security agreements, personal guarantees or directors' guarantees.
Establishment and loan management fees	The Manager may charge establishment and loan management fees to the borrower. If charged, then these will be paid by the borrower and not by the Fund.
Other key requirements	Typical representations, warranties, undertakings and events of default, including restrictions on the borrower disposing of the security property or incurring additional financial indebtedness.

4.2 *Lending strategy*

The Manager will ensure at all times that the risk / reward profile of each Loan Investment is appropriate having regard to the credit quality and value of the loan, underlying security property and the risk analysis process.

All Loan Investment decisions will be based on risk-adjusted returns over the term of the loan. All loans, borrowers and Real Property Mortgages are assessed by the Manager, as described below.

In addition, each loan will be properly documented and appropriately secured following a comprehensive assessment of the purpose, servicing capability of the borrower, valuation, insurance and management protocols proposed for each loan.

4.3 *Loan Investment selection and assessment*

The Manager will be responsible for undertaking the assessment of any loans proposed to be made by the Fund, having regard to the lending guidelines outlined above.

Assessment of a loan commences when an application and accompanying financial data is received by the Manager from a proposed borrower.

The Manager will assess the merits of each prospective loan and the associated risks. The analysis takes into account a set of criteria including available security, the precise nature of any security property, LVR and evidence of capacity to service the loan. The risks can be described in three broad categories as follows:

- (a) *Security / Development Risk*

The Manager will assess a range of factors including the character and geographic suitability of the security property, the proposed capital expenditure for the development (if applicable), as well as a number of extraneous factors such as permissible usage, competition, appeal and demand for the asset.

(b) *Servicing risk*

The ability of the borrower to meet loan commitments, which focusses on the income and cash flow sources of the borrower.

(c) *Saleability –*

The exit strategy at the loan conclusion including the ability of the borrower to sell the property (including existing income producing or development assets), or the ability of the borrower to refinance.

Once the Manager has assessed the prospective loan, the Manager will prepare a Loan Investment proposal and seek final approval from the Trustee.

4.4 *Approval process and ongoing management*

After a loan is made, the Manager is responsible for the day-to-day and ongoing management of the loan. The Manager will provide monthly reports to the Trustee in relation to both individual and portfolio loan performance including in respect of payment and collection of interest, compliance with loan covenants and conditions, and the progress of any legal action commenced against a defaulting borrower.

The Manager will also dedicate resources towards ensuring that all properties provided as security for Real Property Mortgages are appropriately insured for public liability and against loss or damage to improvements. All policies must note the Trustee as an interested party. It should be noted that not all properties and improvements may require insurance. For example, a property that consists only of vacant land will not be insured. Further, improvements in respect of which insurance cover is not available at commercially reasonable prices will be assessed and insurance coverage may be determined by the Manager as uneconomical.

4.5 *Valuation policy*

The security property for any Real Property Mortgage is independently valued for suitability and market value by a valuer under instructions from the Manager. A valuer has to qualify with necessary experience, be a member of a professional valuer body or association, and have professional indemnity insurance.

The Manager will have security property revalued whenever it considers that a significant change may have occurred in the property's value, and at any other time it considers it to be in the best interests of Investors.

For Loan Investments secured by a subordinate Real Property Mortgage, the Manager may be unable to obtain its own independent valuation.

4.6 *Documentation and settlement of Loan Investments*

Loan and security documents will be prepared and reviewed by a legal firm experienced in mortgage finance, verification and validation requirements, who will also attend to settlement of the legal documentation.

Normal development funding conditions such as receipt of independent engineers and/or quantity surveyors report confirming costs, expenses, and cost to complete the project will be required before any loans are made for development purposes.

4.7 Arrears and default management

Where a borrower fails to make an interest payment on or before the due date, the Manager will issue a payment reminder to the borrower and allow a grace period of up to seven days to allow the borrower to make the payment. If the borrower does not do so, then the Manager will issue a further payment reminder with a further seven days to comply, warning that recovery action may follow.

Depending on the borrower's response to the payment requests, the Manager may issue a default notice, and commence recovery action against the defaulting borrower.

Where the Real Property Mortgage securing the loan is first ranking and recovery action is issued against a borrower—

- (a) the Trustee may become a mortgagee in possession of the security property
- (b) the Trustee will procure a new valuation in respect of the security property
- (c) the security property may be placed on the market for sale
- (d) depending on the nature of the security property, the Trustee may appoint parties to manage the security property or complete the development of the security property before commencing a sale process, and
- (e) if the security property is sold at a price that is less than the amount required to satisfy the outstanding balance of the loan together with interest and costs (including recovery fees), then recovery action against the borrower and any guarantors may continue.

Where the Real Property Mortgage securing the loan is not a first ranking mortgage, the enforcement of the loan will be dictated by the actions taken by the senior lender. 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.

Due to the Fund's security ranking behind the senior lender, if the borrower defaults under any of the loan facilities and the senior lender exercises its security, then the Fund will not have day-to-day control over the borrower's assets. This will generally mean the Trustee cannot exercise the Fund's security until the senior lender has been paid in full. In addition, any monies available to the Fund in these circumstances would be limited to what is recovered after the senior lender has been paid in full.

4.8 Enforcement expenses

If a borrower defaults under a loan, then the Fund may have to enforce its Real Property Mortgage to recover the loan, any unpaid interest and costs. The Fund will have to use its own resources to pay for those enforcement costs (such as the costs of appointing a receiver, legal fees in enforcing against the borrower, agent's commissions for sale of the security property etc.).

5. 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 an Investor's capital. Many risk factors fall outside of the Trustee's and the Manager's control and cannot be completely mitigated.

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.

Distributions are not guaranteed and neither is the return of Investors' capital.

5.1 *General Fund risks*

Trustee and Manager risk

There is a risk One AR Pty Ltd may be replaced as trustee of the Fund or its key personnel may change, Hanyu Capital Management Consultancy Pty Ltd may be replaced as investment manager of the Fund or its key personnel may change. Investors should note the Trustee is obliged to retire as trustee of the Fund following a request made by the Manager, pursuant to the Investment Management Agreement. There is also a risk that the Trustee's authorisation under One Investment Administration Ltd's AFS Licence may be suspended or revoked, or the Manager's authorisation under One Investment Administration Ltd's AFS Licence may be suspended or revoked.

Market risk

Investment returns from the Fund are affected by general market conditions and may decline over short or extended periods due to market sentiment, economic, technological, legal, social and/or political factors. 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 Manager.

Manager risk

The risk that the Manager or the Manager's investment strategy will not achieve its performance objectives or produce returns that compare favourably against its peers. Many factors can negatively impact the Manager's ability to generate acceptable returns e.g., loss of key staff. In addition, the Manager may be entitled to a performance fee. A performance fee incentivises the Manager to endeavour to improve the Fund's performance. However, there is a risk the existence of a performance fee may encourage the Manager to enter into riskier investments with the object of improving the Fund's performance in the short term.

Limited track record risk

The Fund is a newly established managed investment scheme and has no track record or past performance.

Regulatory risk

The Fund's operations may be negatively impacted by changes to government policies, regulations and taxation laws.

Concentration risk

Investors have the flexibility to design their portfolio of investments as they see fit. However, Investors should be aware of the risk of concentrating on similar or correlated assets. 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.

General economic risks

General economic factors including (but not limited to) equity and credit market cycles and interest rate movements may have an adverse effect on the profitability of investments and the performance of the Fund.

Taxation risk

The returns to Investors may be affected by changes to taxation legislation. Changes to taxation legislation may necessitate a change to the Fund's structure to ensure Investor interests are protected.

Key person risk

The Manager relies on a small number of professionals. In particular, Raymond Huang is a key individual, and is responsible for the implementation of the investment strategy of the Fund. If Raymond Huang or any other key personnel from the Manager resigned, or were terminated, a suitable replacement may not be achieved within a reasonable time frame, and any replacement would be subject to similar risks.

Fund risk

The Fund could terminate, or the fees and expenses paid from the assets of the Fund could change. 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.

Liquidity risk

Investors in the Fund will only have limited opportunities to withdraw their investment. Investors cannot withdraw from the Fund during the Minimum Investment Term (i.e., three years from the date of this IM). After the Minimum Investment Term has elapsed, if an Investor wishes to withdraw from the Fund then they must provide at least 18 months' notice by lodging a withdrawal request. However, there is no guarantee the Trustee will be able to satisfy an Investor's withdrawal request. The Trustee may (at its discretion) make withdrawal offers after the Minimum Investment Term has elapsed. However, there is a risk these withdrawal offers may be made very infrequently or not at all. There is also a risk the amount available to satisfy all Investors' withdrawal requests made in response to a withdrawal offer will be insufficient, which will mean Investors' withdrawal requests will be satisfied on a pro-rata basis.

In addition, there will not be any established secondary market for Units. However, Investors may be able to transfer their Units to another person, subject to the approval of the Trustee at its discretion.

Interest rate risk

Changes to interest rates can have a direct and indirect impact (negative or positive) on returns. The income return on your investment is not guaranteed and could go down. This could happen due to factors such as the deterioration of the financial position or credit rating of a financial institution, adverse movements in the Australian and overseas interest rates, market illiquidity, adverse movements of exchange rates, negative changes in monetary policy and other economic, social and political factors.

5.2 Specific risks associated with Property Investments

Property market risk

The value of Property Investments held by the Fund is subject to property market conditions. Increased supply or falls in demand in any of the sectors of the property market in which the Fund invests, as well as fluctuations in yields sought by investors in property, the risk of vacancy, non-payment of rent by tenants and fluctuations in rentals on leasing and re-leasing of properties, could influence the value and income of Property Investments held by the Fund.

Borrowing risk

Gearing allows the Fund to leverage its investments, since the money received from borrowings can be invested by the Fund. This increases the potential for both profits and losses in the Fund. Depending on the arrangements with the lender, the Trustee may pledge or grant security over part or all of the assets of the Fund. In addition, providers of the borrowed funds to the Fund could withdraw their funding and alternative funding sources may not be available, which may have a material impact on potential returns of the Fund.

Valuation risk—sale price

The ongoing value of a Property Investment is influenced by changes in property market conditions (e.g., supply, demand, capitalisation rates and rental and occupancy rates). There is no guarantee that the Fund's Property Investments will enjoy a capital gain on their sale or realisation or that the value of the Fund's Property Investments will not fall as a result of the assumptions on which the valuation is based proving incorrect

Disposal of Property Investment risk

The Fund may be required to make representations and give warranties in connection with the disposal of Property Investments. The Fund may be required to indemnify the purchasers of such investments to the extent any claims arise in connection with the disposal of the investment.

Due diligence risk

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 Manager.

Insurance risk

Various factors might influence the cost of maintaining insurance over a Property Investment, or the extent of cover available. Increased insurance costs, or limits on cover, can have a negative impact on the performance of the Fund. There are also some potential losses that cannot be insured at commercially reasonable rates, or at all, including force majeure events.

Force majeure risk

There is a risk that force majeure events, such as natural phenomena and terrorist attacks, may affect a Property Investment for which insurance is not available or for which the Fund does not have insurance cover. Should such an event occur, a loss will result which will have a negative impact on the income and capital value of the Fund. 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 Manager.

Building risk

Property assets naturally deteriorate over time and are subject to disasters, which can damage the structure of the building. There is a risk that the value of a property could diminish if the building on the properties forming part of the Fund's portfolio (if any) deteriorate or are damaged.

Environmental risk

The valuation of an investment by the Fund or rental income could be adversely affected by discovery of environmental contamination or the incorrect assessment of costs associated with an environmental contamination, as well as restrictions associated with flora and fauna conservation.

Disaster risk

Disasters such as natural phenomena, acts of God and terrorist attacks may damage or destroy properties. This may result in delays being incurred in repairing properties, or may result in properties not being reparable at all. In addition, it may not be possible to insure a property against some of these events or to obtain insurance at commercially reasonable rates. 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 Manager.

Development and construction risk

The Fund may enter into contracts for buildings that are under construction. As with all construction, there may be cost overruns and the cost to complete the construction may be more than forecast and additional capital or finance may need to be sourced. Further, completion of buildings under contract could be delayed due to the fault of the particular developer or other unforeseen events. If that occurs, then tenants may not begin paying rent when expected and this may impact distributions paid by the Fund. The Fund may also be exposed directly or indirectly to development and construction risks as a result of future refurbishment or further development of properties. Development and construction can be subject to external influences over which the Trustee or Manager has little or no control.

Valuation risk—development and construction

Where a building is under construction, the property will be valued on an 'as if complete' basis. These valuations assume that the relevant building is complete, has been built in accordance with the agreed specifications and that the leases commence as expected and on the agreed terms. 'As if complete' valuations also assume that property market conditions remain constant. As a result, with 'as if complete' valuations there is a risk that, on practical completion of any relevant building, the valuation will not be the same.

Construction cost escalation risk

Construction costs for a property development project might exceed expected construction costs. If this were to occur, then additional funding might be required in order for the property development project to be completed.

Project duration risk

The duration for the completion of a property development project may exceed the expected duration. This may have a negative effect on the cash flows for the property development project affected by the timing delays.

Planning risk

Planning approvals may not be obtained within expected timeframes, may not be granted in the form anticipated, or may not be granted at all.

Industrial relations risk

Union activity could delay the timing to complete the construction of a property development project and/or increase its cost.

Service contractor risk

Service providers, including external contractors and related parties, will be appointed to carry out property development projects and may default in the performance of their services.

5.3 **Specific risks associated with Loan Investments**

Junior lender risk

It is anticipated that loans will be secured by Real Property Mortgages. However, if the Fund is a mezzanine lender then its Real Property Mortgage will rank in priority behind a senior lender's mortgage. Therefore in the event of a default by the borrower the ability to recover the amount owing under the loan agreement will be affected by the actions of the senior lender.

Generally, 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. Because the Fund's security will rank behind the senior lender, if the borrower defaults under any of the loan facilities and the senior lender exercises its security the Trustee will not have day-to-day control over the borrower's assets. This will generally mean that the Trustee cannot exercise the Fund's security until the senior lender has been paid in full. In addition, any monies available to the Fund in these circumstances would be limited to what is recovered after the priority mortgagees have been paid in full.

Unregistered Real Property Mortgages risk

Some loans may be secured by a Real Property Mortgage that is not registered with the relevant land titles office. An unregistered Real Property Mortgage differs from a registered Real Property Mortgage in that it is not a charge on the land. There are increased difficulties with enforcing an unregistered mortgage, including that the Trustee will not have the advantage of the statutory power of sale that it would otherwise have if the Real Property Mortgage is registered. This means that the Trustee would need to seek court orders in order to sell the property.

Additionally, it is possible that another party may register a mortgage against the same parcel of land and that mortgage would then take priority over the unregistered Real Property Mortgage held by the Fund.

To seek to mitigate this risk, where the Fund's Real Property Mortgage is not registered with the relevant land titles office, the Trustee will lodge a caveat over the borrower's real property.

Interest rate risk

Fluctuations in market interest rates may impact your investment in the Fund. For example, rising market interest rates may increase a variable loan borrower's interest costs, making it more difficult to make regular payments. Similarly, falling interest rates may lead a fixed rate borrower to repay the Loan Investment in order to refinance at a cheaper rate.

Default and credit risk

A borrower or borrower's guarantor may not be able to meet their financial obligations. This may be for a wide range of reasons, including—

- (a) a change in the financial or other circumstances of the borrower, or
- (b) a change in the economic climate generally that adversely affects all borrowers.

The Trustee and the Manager together seek to manage and minimise these risks by only making loans to borrowers that meet the Fund's lending criteria.

Investments in the Fund are not capital guaranteed. During the life of a Loan Investment, factors outside the control of the Trustee and the Manager such as economic cycles, property market conditions, government policy, inflation and general business confidence can affect property values and a borrower's ability to continue to service a loan.

If a security property is required to be sold to recover a debt, Investors' capital may be diminished or lost if the sale fails to realise sufficient funds to satisfy the loan balance and any capitalised interest and costs. Enforcement costs may not be recoverable in part or in full, in these circumstances.

Where a loan is not renewed, the return of investment capital may be delayed until the loan is either refinanced or repaid. Interest is charged to the time of repayment of the loan.

The Manager manages this risk by applying the Fund's lending guidelines and employing collection and management systems. All loans and valuations are subject to periodic review.

Construction risk

The Fund may lend money for property construction projects and there are specific risks associated with this type of loan. These risks include—

- (a) construction or development costs can exceed budgeted costs and the borrower may be unable to complete the project unless the borrower can obtain further funds
- (b) failure to obtain or delays in obtaining development approvals
- (c) the funds kept in reserve to complete the project being insufficient to meet the cost of completion, and
- (d) a change in market conditions could result in the project's value on completion being worth less than anticipated, or in lower sale rates and prices than expected.

Security risk

The security property may be damaged or destroyed and the insurance cover may prove to be insufficient to cover the full amount of the Loan Investment.

Given that the underlying security is real property, which is illiquid, there is also a risk that delays could occur between a loan going into default and the sale of the security property. These delays may affect the payment of distributions to Investors and the ability of the Trustee to make withdrawal offers due to insufficient cash being available.

Term risk

A loan may not be repaid or refinanced in a timely fashion, which may cause a delay or potential loss of capital. The Manager seeks to manage this risk through the initial loan approval process as well as managing maturing loans in a timely fashion.

Enforcement risk

If a borrower defaults under a loan, then the Fund may have to enforce its Real Property Mortgage to recover the loan secured by it, any unpaid interest and costs. The Fund will have to use its own resources to pay for those enforcement costs (such as the costs of appointing a receiver, legal fees in enforcing against the Borrower, agent's commissions for sale of the security property etc.).

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 the Fund suffering a loss.

Documentation risk

A deficiency in documentation could, in certain circumstances, adversely affect the return on a loan. This may make it difficult for the Fund to enforce its Real Property Mortgage in respect of the loan and may also affect the ability to recover any penalties imposed against the borrower.

Valuation risk

The valuation of the security property for a 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 a loan is incorrect, then the amount realised on the sale of a security property may not cover the amount lent to the Borrower.

5.4 Specific risks associated with Cash Investments

No Government guarantee/uninsured investment risk

An investment in the Fund is not the same as depositing money in an account with a bank and an investment in it is riskier than depositing money in a transactional bank account or term deposit with a bank.

The Financial Claims Scheme (FCS and commonly referred to as the Australian Government Deposit Guarantee) does not apply to the Fund. Further information on the FCS can be obtained from the APRA website at www.apra.gov.au and APRA hotline on 1300 55 88 49.

Credit or counterparty risk

When investing in bank deposits it is necessary to consider credit risk. Credit risk refers to the counterparty failing to meet an obligation to pay periodic interest or to repay the principal sum at maturity.

Interest rate risk

Fluctuations in market interest rates may impact your investment in the Fund. Specifically, falling market interest rates may decrease the Fund's returns from investments in term deposits with Australian ADIs and at-call cash management accounts with Australian ADIs, and Australian managed investment schemes which invest in these types of investments.

5.5 Specific risks associated with Liquid Investments

Liquidity risk

Under abnormal or difficult market conditions some normally liquid assets may become illiquid, restricting our ability to sell them and to make withdrawal payments for Investors without a potentially significant delay.

Counterparty risk

There is a risk that counterparty may breach its obligations. This could include, but is not limited to, failing to make settlement payments or returning margin payments.

Interest rate risk

The yield and face value of securities can be affected by interest rate movement. In instances where interest rates rise, the face value of certain fixed rate securities may decline. Equally in circumstances where interest rates decline the yield of certain floating rate securities will drop to reflect the floating rate nature of the yield. Longer term interest rate expectations have the ability to impact the value of longer dated fixed rate securities. The expectation of future rates is embodied in the "yield curve".

Strategy risk

The Fund seeks to deliver returns through the cycle with a blended top down and bottom up approach, with a key emphasis on corporate debt. The nature of the strategy is such that loss could be incurred by virtue of errant asset sector allocation decisions or through errant security selection.

Credit risk

The value of assets within the Fund can change due to changes in the credit quality of the individual issuer and also from changes in the values of other similar securities. This can affect the volatility of the Fund and its income. Fixed income securities are subject to default risk, which means that the credit issuer may default on interest payments, the repayment of capital or both. Fixed income investments with a non-investment grade credit rating (that is, for Standard & Poor's or Fitch, less than a BBB- rating; and for Moody's, less than a Baa3 rating) are subject to increased risks

compared with investment grade securities, in that the credit issuer may be more likely to default on interest payments, the repayment of capital or both.

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

6. Fees and costs

6.1 Entry fee

An entry fee of 1% of an Investor's gross investment monies, paid to the Manager.

This fee is not payable from the assets of the Fund and instead is deducted from an Investor's gross investment monies at the time of the Investor's initial investment in the Fund. This means the Investor will then be issued with the amount of Units represented by their Application Money as at the prevailing application price (i.e., minus the entry fee and GST, if any).

An entry fee is not charged in respect of additional investments following an Investor's initial investment or in respect of distribution reinvestments.

6.2 Trustee fee

The Trustee is entitled to a fee payable out of the assets of the Fund. This fee is 0.08% per annum of the gross value of the Fund's assets (including the gross value of the assets of any sub entities, if relevant), subject to a minimum monthly fee of \$5,500 (indexed to the higher of 3% and CPI on 1 July each year). The minimum monthly fee will be reduced by \$1,000 per month for 12 months from 5 December 2016.

This fee accrues daily and is payable monthly in arrears.

6.3 Management fee

The Manager is entitled to a management fee of 2% per annum of the gross value of the Fund's assets (including the gross value of the assets of any sub entities, if relevant), payable out of the assets of the Fund.

This fee is calculated and payable monthly within 10 Business Days of the end of each calendar month.

6.4 Performance fee

The Manager may be entitled to a performance fee in the following circumstances:

- (a) Each time a Property Investment is sold during the term of the Fund (Sale Event).
- (b) If the assets of the Fund are sold for the purposes of winding up the Fund (Wind Up Event).
- (c) If the Manager is removed as investment manager of the Fund where either—
 - (i) the Trustee decides to terminate the Manager's appointment in circumstances where it ceases to be the trustee of the Fund, or
 - (ii) a special resolution is passed by Investors at a properly convened Investors' meeting of the Fund directing the Trustee to terminate the Manager's appointment (each a Removal Event).

Upon a Sale Event or a Wind Up Event, the performance fee will be calculated by reference to the Return to Investors. Return means the total return (both income and capital growth) received or to be received by Investors in respect of their investment in the Fund (having regard a number of actual or anticipated cashflows, including distributions paid to Investors to date).

Upon a Removal Event, the performance fee will be calculated by reference to the Deemed Return to Investors. Deemed Return means the total return (both income and capital growth) attributable to Investors over the relevant period, taking into account all distributions paid to Investors to date, as well as the net amount (after payment of estimated costs, expenses and liabilities of the Fund) that would be paid to Investors if the assets of the Fund were sold for their current value.

Provided the calculation results in a positive amount, a performance fee will be equal to 50 percent of the amount by which the Return or Deemed Return exceeds the target internal rate of return

(including both income and capital growth) of 10 percent per annum to Investors on their Application Money over the relevant period (Target IRR Amount).

The Target IRR Amount is calculated pre-taxation but after the payment of all fees payable to the Trustee and the Manager (apart from the performance fee).

If payable, a performance fee is payable to the Manager from the assets of the Fund within 30 Business Days after the date upon which it is calculated.

In addition, the Trustee will retain 20 percent of each performance fee calculated as being payable to the Manager following a Sale Event (each a Retained Amount). These funds will remain part of the Fund's assets until either a Wind Up Event or a Removal Event occurs. The reason these funds are retained is to ensure the Manager does not obtain a benefit from the sale of individual Property Investments during the term of the Fund if the ultimate return to Investors from the Fund does not meet the Target IRR Amount as at the time of the Wind Up Event, or is not meeting the Target IRR Amount at the time of the Removal Event.

If a performance fee has been paid following one or more Sale Events, but the calculation of a performance fee upon a Wind Up Event or a Removal Event does not result in a positive amount, then the Manager will not be paid a performance fee and must also account to the Fund for the amount by which the Target IRR Amount exceeds the Return or Deemed Return (Overpayment Amount). The Trustee will first set off any Retained Amounts against the Overpayment Amount, and if this is not sufficient then the Manager must pay the balance of the Overpayment Amount to the Fund from its own resources.

On the other hand, if the calculation of a performance fee upon a Wind Up Event or a Removal Event does result in a positive amount, then the Trustee will pay any Retained Amounts to the Manager, together with the relevant performance fee.

However, if the Manager's appointment is terminated by the Trustee under the Investment Management Agreement in circumstances which do not amount to a Removal Event (for example, in the event of the Manager's insolvency), then any Retained Amount(s) will remain as part of the Fund's assets and will not be payable to the Manager.

6.5 Trustee removal fee

The Trustee is entitled to be paid a removal fee if—

- (a) it is removed as trustee of the Fund within four years of the issue of the first Unit under this IM, other than for gross negligence or for a breach of a fiduciary duty to Investors which causes them substantial loss, or
- (b) it retires as trustee of the Fund within four years of the issue of the first Unit under this IM at the request of the Manager in accordance with the Investment Management Agreement, other than for gross negligence or for a breach of a fiduciary duty to Investors which causes them substantial loss.

The amount of the fee is the amount of fees the Trustee would have received if it had remained the trustee of the Fund for four years from the issue of the first Unit in the Fund under this IM. It is determined based on the gross value of the assets of the Fund (including the gross value of the assets of any sub entities, if relevant) at the time that the Trustee is removed or retires.

If the Trustee removal fee becomes payable then it will be an expense of the Fund and must be paid for out of the assets of the Fund.

6.6 *Manager removal fee*

Under the Investment Management Agreement, the Manager is entitled to be paid a removal fee if the Manager's appointment as investment manager is terminated by the Trustee in either of these circumstances—

- (a) where the Trustee decides to terminate the Manager's appointment in circumstances where it ceases to be the trustee of the Fund, or
- (b) a special resolution is passed by Investors at a properly convened Investors' meeting of the Fund directing the Trustee to terminate the Manager's appointment.

If this Manager removal fee becomes payable, then the amount of this fee will be—

- (a) 3% of the gross value of the assets of the Fund (including the gross value of the assets of any sub entities, if relevant) as at the date of the Manager's termination, plus
- (b) the total amount of the management fees that the Manager would have received had it been the investment manager of the Fund for a period of three years as from the date of termination. The future management fees payable to the Manager at the time of calculation of the removal fee are determined on the basis of the gross value of the assets of the Fund (including the gross value of the assets of any sub entities, if relevant) as at the date of the Manager's termination.

If the Manager removal fee becomes payable then it will be an expense of the Fund and must be paid for out of the assets of the Fund.

In addition, as detailed in section 6.4 the Manager may also be entitled to be paid a performance fee if it is removed as investment manager of the Fund.

6.7 *Administrator removal fee*

The Administrator, an associated company of the Trustee, has been appointed to provide fund accounting and taxation services to the Fund, subject to a minimum four year engagement term. If its appointment in relation to the Fund is terminated within four years of the commencement of its engagement then the Administrator is entitled to be paid a removal fee.

The amount of the removal fee will depend upon on how long the Administrator has been appointed for, as at the time of termination:

- If one year or less, an amount equal to eight times the fees for the month prior to termination.
- If more than one year but less than two years, an amount equal to six times the fees for the month prior to termination.
- If more than two years but less than three years, an amount equal to four times the fees for the month prior to termination.
- If more than three years but less than four years, an amount equal to two times the fees for the month prior to termination.

If the Administrator removal fee becomes payable then it will be an expense of the Fund and must be paid for out of the assets of the Fund.

6.8 *Operating costs and expenses*

The Trustee and the 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, the Administrator's fee, the Registrar's fee, 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.

6.9 Buy/sell spread

The buy/sell spread reflects the Manager's estimate of the transaction costs expected to be incurred by the Fund in buying and selling underlying assets as a result of investments in, and withdrawals from, the Fund. The purpose of the buy/sell spread is to ensure those Investors transacting in Units at a particular time bear the costs of buying and selling the Fund's assets as a consequence of their transaction. The buy/sell spread is an additional cost to Investors but it is not a fee paid to any party, but is instead retained as an asset of the Fund.

As at the date of this IM, the buy/sell spread is +/-0.5% for the Fund.

6.10 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.

6.11 Fee changes

The Constitution allows for higher fees to be charged than those detailed and specifies circumstances where additional fees may be charged. The Trustee will provide Investors with at least 30 days' written notice of any such fee imposition or increase.

6.12 Waiver, deferral or rebate of fees and expenses

The Trustee or the 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 Manager or Trustee may waive, negotiate or rebate their fees, for example, in the case of a large investment amount.

7. Taxation Information

Neither the 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.

8. Additional Information

8.1 Summary of Important Documents

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

- (a) Constitution.
- (b) Investment Management Agreement.

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

Constitution

The Constitution is the primary document governing the relationship between the Investors and the Trustee. It contains extensive provisions about the legal obligations of the parties and the rights and powers of each.

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:

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

The Trustee can amend the Constitution without Investors' approval if the Trustee reasonably considers the changes will not adversely affect Investors' rights.

A copy of the Constitution is available free of charge by calling the Trustee on (02) 8277 0000.

Investment Management Agreement

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

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

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

A copy of the Investment Management Agreement is available free of charge by calling the Trustee on (02) 8277 0000.

Manager's authorised representative appointment

The Manager is a corporate authorised representative of One Investment Administration Ltd ACN 072 899 060 (AFS Licence no. 225064)

The Manager's authorisation is limited to its role as a manager, and does not extend to any other business that the Manager conducts, or services that the Manager provides. Although the Manager is authorised to conduct the investment management activities of the Fund, any queries from

Investors or prospective Investors in relation to the Fund, the Offer or the IM should be directed to the Trustee. The Trustee may be contacted by calling (02) 8277 0000.

8.2 Reporting

Our reporting will comprise the following:

- (a) An investment confirmation upon issuing Units.
- (b) A half-yearly transaction statement.
- (c) A half-yearly distribution statement
- (d) An annual tax statement detailing information required for inclusion in your annual income tax return, which will be provided within 90 days of the end of each financial year.

Annual financial reports of the Fund will be made available at www.oneinvestment.com.au/Tyga. They will not be sent to you unless requested.

8.3 Related party transactions

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

The Trustee may from time-to-time enter into transactions with related entities. All transactions will be effected at market rates or at no charge.

The Trustee has appointed the Administrator, an associated company, to provide fund accounting and taxation services to the Fund pursuant to an administration agreement under which the Administrator provides administration services for day-to-day operations of the Fund. These services include fund accounting, Unit pricing, reporting and preparation of statutory accounts. The Trustee has appointed the Registrar, a related party, for unit registry services in respect of the Fund. The Trustee has appointed these parties in consultation with, and with agreement from, the Manager.

8.4 Change of trustee

A change of trustee for the Fund requires Investors to pass an extraordinary resolution to give effect to the replacement. An extraordinary resolution must be passed by at least 50% of the total votes that may be cast by Investors entitled to vote (including Investors who are not present in person or by proxy).

8.5 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 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 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.

8.6 Co-investment

In certain instances, the Fund may invest in investments alongside financial, strategic or other co-investors (including, potentially, 1 or more of the Trustee's or Manager's affiliates). There is a risk that co-investors may have economic or business interests or objectives that are inconsistent with

those of the Fund or may be in a position to take actions contrary to the Fund's investment objectives.

8.7 *Third party referral fees*

The Manager may pay an introductory fee or commission rebate to a party that has referred you to the Fund and/or arranging for you to invest in the Fund. Such fees and rebates are negotiated between that third party and the Manager. Please ask your advisors for details of the payments (if any) that they will receive from the Manager.

8.8 *Privacy*

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

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 (Cth) 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 Manager.

8.9 *Anti-money laundering law*

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) requires the Trustee to verify your identity prior to accepting your investment. You will be required to provide the identification information set out in the Application Form. The Trustee will not issue you with Units unless satisfactory identification documents are provided.

8.10 *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 relevant 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. In order for the Fund to comply with relevant 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.

8.11 *Ethical considerations, labour standards and environmental impact*

Whilst the 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.

8.12 No cooling-off period

Investors should note that no cooling-off period will apply to applications.

8.13 Complaints handling

The Trustee has a system for dealing with any complaints you may have as an Investor. If you have a complaint, then please contact the Trustee at:

Telephone: (02) 8277 0000

Email: complaints@oneasset.com.au

Complaints Officer

One Investment Group

Post: PO Box R1471, Royal Exchange, NSW 1225

Complaints will be acknowledged as soon as possible and will be dealt with within 45 days.

9. Glossary

Act	Corporations Act 2001 (Cth) for the time being in force together with the regulations of the Corporations Act 2001 (Cth).
ADI	Authorised deposit-taking institution.
Administrator	Unity Fund Services Pty Ltd ACN 146 747 122.
AFS Licence	Australian Financial Services Licence.
Application Form	The application form to invest in the Fund.
Application Money	The money paid by an applicant for Units (and excludes any amounts paid to the Manager for the entry fee).
APRA	Australian Prudential Regulation Authority.
ASIC	Australian Securities and Investments Commission.
ASX	Australian Securities Exchange
Business Day	A day on which banks are open for business in Sydney, except a Saturday, Sunday or public holiday.
Cash Investments	Investments in term deposits with Australian ADIs and at-call cash management accounts with Australian ADIs, and Australian managed investment schemes which invest in these types of investments.
Constitution	The constitution of the Fund, as amended from time-to-time.
CPI	The consumer price index, as defined in the Constitution.
Deemed Return	The total return (both income and capital growth) attributable to Investors over the relevant period, taking into account all distributions paid to Investors to date, as well as the net amount (after payment of estimated costs, expenses and liabilities of the Fund) that would be paid to Investors if the assets of the Fund were sold for their current value.
Fund	Tyga Investment Australia Property Fund.
IM	This information memorandum.
Investment Management Agreement	The investment management agreement between the Trustee and the Manager dated on or about the date of this IM.
Investor	A holder of Units.
Liquid Investments	Financial products with high liquidity, such as stocks, bonds, notes and securities listed on the ASX, and Australian managed investment schemes which invest in these types of investments.

Loan Investments	Loans made by the Fund secured by Real Property Mortgages (whether registered or unregistered).
LVR	Loan to value ratio.
Manager	Hanyu Capital Management Consultancy Pty Ltd ACN 615 195 125.
Minimum Investment Term	A period of three years from the date of this IM.
Offer	The offer under this IM to acquire Units.
OIG	One Investment Group.
Overpayment Amount	The amount by which the Target IRR Amount exceeds the Return or Deemed Return.
Property Investments	Direct equity investments in commercial, hotel, retail, residential and industrial real property assets in Australia, including property development projects.
Qualifying Investor	A wholesale client as defined in section 761G (7) of the Act or a sophisticated investor as defined in section 761GA of the Act.
Real Property Mortgage	A mortgage over real property in Australia.
Registrar	One Registry Services Pty Limited ACN 141 757 360.
Removal Event	If the Manager is removed as investment manager of the Fund where either— <ul style="list-style-type: none"> (a) the Trustee decides to terminate the Manager's appointment in circumstances where it ceases to be the trustee of the Fund, or (b) a special resolution is passed by Investors at a properly convened Investors' meeting of the Fund directing the Trustee to terminate the Manager's appointment.
Retained Amount	20 percent of a performance fee calculated as being payable to the Manager following a Sale Event, which is retained by the Trustee.
Return	The total return (both income and capital growth) received or to be received by Investors in respect of their investment in the Fund (having regard a number of actual or anticipated cashflows, including distributions paid to Investors to date).
Sale Event	When a Property Investment is sold during the term of the Fund.
Security Interest	Security over assets other than real property (including security interests registered on the Personal Property Securities Register and personal guarantees and indemnities).

Target IRR Amount	The target internal rate of return (including both income and capital growth) of 10 percent per annum to Investors on their Application Money over the relevant period, calculated pre-taxation but after the payment of all fees payable to the Trustee and the Manager (apart from the performance fee).
Trustee	One AR Pty Ltd ACN 602 601 776.
Unit	A fully paid unit in the Fund.
Wind Up Event	The sale of the assets of the Fund for the purposes of winding up the Fund.

10. How to Invest

10.1 *Before completing the Application Form you should read this IM carefully.*

Please pay particular attention to all of the risk factors in section 5 of this IM. The risks should be considered in light of your own investment situation.

Where appropriate, you should also consult a financial, taxation or other professional advisor before deciding whether to invest in the Fund.

The Application Form is provided separately. Please contact the Registrar on (02) 8188 1510 or info@oneregistryservices.com.au.

10.2 *How to invest*

For an application to be considered, you must complete and return your Application Form and pay the Application Money. You can pay the Application Money by returning the Application Form with a cheque for the proposed investment amount or note that the Application Money has been transferred by electronic funds transfer.

Cheques should be either bank cheques or drawn on an account in the name of the applicant and made payable to "One AR Pty Ltd - Applications A/c".

You 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 you to quote your TFN or ABN.

The Trustee has the sole discretion whether to accept or reject an application. If your application is rejected, wholly or in part, then the Trustee will notify you in writing and arrange for return of your Application Money to you. Interest will not be paid to applicants on Application Money. If your application to invest in the Fund is accepted, then interest earned on your Application Money will be retained by the Trustee. If your application to invest in the Fund is not accepted, then your Application Money will be returned to you (without interest).

By sending a completed Application Form, you are making an irrevocable offer to become an Investor in the Fund and you are agreeing to be legally bound by the Constitution and the terms of the IM. A brief summary of the Constitution is included at section 8.1 of this IM.

10.3 *Application Form instructions*

Only legal entities are allowed to invest in the Fund. Applications must be in the name(s) of natural person(s), companies or other legal entities acceptable to the Trustee. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title shown below.

The Application Form should be signed by the applicant. If a joint holding, all applicants should sign. If signed by the applicant's attorney, a certified copy of the power of attorney must be attached to the Application Form. If executed by a company, then the form must be executed in accordance with the applicant's constitution and the Act.

Type of investor	Correct form	Incorrect form
Individual	Mr John David Smith	J D Smith
Company	JDS Pty Ltd	JDS P/L or JDS Co
Trusts	My John David Smith <J D Smith Family A/C>	John Smith Family Trust

Type of investor	Correct form	Incorrect form
Deceased estates	Mr Michael Peter Smith <Est Late John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/unincorporated bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation funds	John Smith Pty Limited <J Smith Super Trust A/C>	John Smith Superannuation Trust